



MS
GC

International Atomic Energy Agency
GENERAL CONFERENCE

GC(39)/COM.5/OR.4
5 October 1995
GENERAL Distr.
Original: ENGLISH

THIRTY-NINTH (1995) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE FOURTH MEETING

Held at the Austria Center Vienna
on Wednesday, 20 September 1995, at 3.15 p.m.

Chairman: Mr. MAZILU (Romania)

CONTENTS

<u>Item of the agenda*</u>		<u>Paragraphs</u>
19	Strengthening the effectiveness and improving the efficiency of the safeguards system (continued)	1 - 41
20	Measures against illicit trafficking in nuclear materials and other radioactive sources	42 - 64
21	Personnel questions	65 - 100
	(a) Staffing of the Agency's Secretariat	65 - 100
23	Appointment of the External Auditor	101 - 102

[*] GC(39)/27.

The composition of delegations attending the session is given in document GC(39)/INF/21/Rev.3.

95- 04412 (XV)

This record is subject to correction. Corrections should be submitted in one of the working languages, in a memorandum and/or incorporated in a copy of the record. They should be sent to the Division of Languages, International Atomic Energy Agency, Wagramerstrasse 5, P.O. Box 100, A-1400 Vienna, Austria. Corrections should be submitted within three weeks of the receipt of the record.

Abbreviations used in this record

NPT
SSAC

Treaty on the Non-Proliferation of Nuclear Weapons
State System of Accounting for and Control of Nuclear Material

STRENGTHENING THE EFFECTIVENESS AND IMPROVING THE EFFICIENCY OF THE SAFEGUARDS SYSTEM (GC(39)/17 and Corr.1, GC(39)/COM.5/6) (continued)

1. Mr. ACUÑA-PIMENTEL (Chile) said it was essential to have an objective and transparent safeguards system capable of inspiring real confidence regarding the non-existence of clandestine nuclear weapons programmes.
2. The credibility of the safeguards system was crucial to disarmament efforts, and his delegation welcomed the Secretariat's diligence in seeking to strengthen the effectiveness and improve the efficiency of that system.
3. His delegation, which was in favour of all the measures accepted so far, trusted that separate negotiations between the Secretariat on one hand and individual Member States with particular concerns on the other would soon resolve those concerns.
4. Ms. DRDÁKOVÁ (Czech Republic) said that the accession of many countries to a treaty was by itself no guarantee that the objectives of that treaty would be achieved. Effective and efficient multilateral verification of compliance was also necessary. Accordingly, her country greatly appreciated the current efforts to enhance the effectiveness and efficiency of the safeguards system through Programme 93+2.
5. Her country's SSAC had already begun to take action necessary for the implementation of some of the measures specified in Part 1 of document GOV/2807, and her delegation welcomed the Secretariat's intention to hold additional consultations with States regarding the measures envisaged in Part 2.
6. In the near future her country would be submitting to the Agency the results of a research project on special monitoring methods for use near nuclear facilities, a project which had focused on the detection of clandestine activities. She believed that the results of the project would contribute significantly to the strengthening of the Agency's safeguards system.
7. Mr. DOSHI (India) said his country had always supported the efforts of the Agency to promote the peaceful utilization of nuclear energy under effective safeguards, in line with Article II of the Statute. Thus, believing in the basic principle that no countries should use nuclear energy for non-peaceful purposes in contravention of comprehensive safeguards agreements concluded by them, his delegation had participated actively in

discussions in the Board and elsewhere on strengthening the safeguards system through Programme 93+2. Unfortunately, the scope of the draft resolution before the Committee in document GC(39)/COM.5/6 extended far beyond that basic principle.

8. Preambular paragraphs (c), (d) and (e) and operative paragraphs 1-5 contained extraneous ideas, and in places they even departed from decisions taken after extensive discussions during the Board's March and June meetings.

9. His delegation was not opposed to the adoption of a resolution under the present agenda item, but would be able to support the draft resolution before the Committee only if the paragraphs he had mentioned were deleted or suitably amended.

10. Mr. SCHMIDT (Austria) said his country's co-sponsorship of the draft resolution in document GC(39)/COM.5/6 reflected both optimism about the future development of an improved safeguards system and a belief that much remained to be done in that regard.

11. The current process of strengthening the safeguards system had been initiated in the light of disclosures concerning Iraq, a party to the NPT. Those disclosures had shattered the complacent belief that Agency safeguards could be limited to the verification of declared nuclear material, without checks for possible clandestine activities.

12. Austria would welcome the measures proposed for enhancing the Agency's ability to detect clandestine activities, and it hoped that legal considerations - although important - would not hamper developments unnecessarily. The possibility of an erosion of national sovereignty due to new safeguards commitments should be weighed against the threats to national security which would exist without such commitments.

13. The measures outlined in document GOV/2807 represented only a part of the task which lay ahead; the Secretariat still had to establish a capability for integrating all the information that would be received by it, in order that the Department of Safeguards might accurately assess the non-proliferation situation in any State - and particularly in any State with a comprehensive safeguards agreement.

14. In all future discussions of Agency safeguards, account would have to be taken of the outcome of the 1995 NPT Review and Extension Conference - and particularly of principle 9 of the "Principles and objectives for nuclear non-proliferation and disarmament", which had reconfirmed the Agency's leading role in preventing the proliferation of nuclear weapons. In his delegation's view, principle 9 implied Agency responsibilities much wider than those envisaged in Programme 93+2, and the Secretariat should accordingly embark on more wide-ranging, conceptual studies directed towards determining what additional steps the Agency needed to take in performing the tasks which derived from Article III of the NPT. If the wishes of the NPT Review and Extension Conference were to be taken seriously, those steps would have to include a continuous process aimed at optimum implementation of Article III.

15. Besides disclosures concerning Iraq, Programme 93+2 had been triggered by a wish to improve the efficiency of the safeguards system. His delegation, which was pleased with the Secretariat's efforts to date, believed that there was room for further efficiency improvements. For example, greater delegation of responsibilities to SSACs would release resources for use in the detection of clandestine activities.

16. It was to be hoped that progress would not be unduly hampered by formal considerations. Member States should focus on substance in the common search for security.

17. Ms. BATACLAN (Philippines) said that her delegation - which considered strengthening of the Agency's safeguards system to be important for strengthening the non-proliferation regime, of which the NPT was the cornerstone - had welcomed the decision taken at the Board's June meetings to proceed with Part 1 of Programme 93+2.

18. With regard to Part 2, her delegation would like the Director General - as envisaged in operative paragraph 5 of the draft resolution before the Committee - "to initiate as soon as possible consultations with Member States in order to clarify further the measures proposed in Part 2 so as to be able to present at the December meetings of the Board of Governors proposals on the form and content of a draft instrument for the complementary legal authority necessary for implementing the measures in Part 2".

19. Her delegation hoped that Agency safeguards under item-specific and voluntary-offer agreements would also be strengthened in due course, for the strengthening of all types of safeguards was the best means of ensuring non-proliferation.

20. Mr. JAMEEL (Pakistan) said his delegation shared the positive opinions expressed about Programme 93+2 as a whole, although it continued to have doubts regarding some of the specific measures outlined in document GOV/2807; they lacked a legal basis, or they were likely to be unduly intrusive, or their technical details and cost implications still had to be worked out.

21. As to the draft resolution before the Committee, it went far beyond the scope of the Board's discussions on Programme 93+2 in March and June. In one respect, however, it did not go far enough; it made no reference to the idea of establishing a group of governmental experts which the Chairman of the Board of Governors had mentioned during the Board's 872nd meeting. His delegation would like to collaborate with others in producing an amended version of the draft resolution.

22. Mr. DAVIES (South Africa) said his country remained committed to non-proliferation and would like to see the safeguards system strengthened in the light of present global needs.

23. At the Board's June meetings, his delegation had welcomed the Director General's intention to implement the measures outlined in Part 1 of document GOV/2807, although it had expressed concern about costs.

24. With regard to the measures outlined in Part 2, in the interests of transparency and non-discrimination South Africa would like the legal provisions necessary for their application under INFCIRC/153-type agreements to be set forth in standardized additional protocols constituting a part of those agreements, the States parties to which should enter into firm, binding commitments to early implementation of the measures.

25. Mr. FITZGERALD (Ireland), expressing support for Programme 93+2, said his delegation appreciated the efforts under way to create a safeguards system capable - inter alia - of detecting and dealing with undeclared nuclear activities where they existed. The

objectives of Agency safeguards needed to be met in full, and Member States needed to be reassured that those objectives were indeed being fully met.

26. Mr. WEBB (Canada), referring to operative paragraph 5 of the draft resolution before the Committee, said his delegation was looking forward to the envisaged consultations as a means of refining the objectives of - and the methods proposed for implementing - strengthened safeguards.

27. Expressing the view that future field trials should focus, inter alia, on an integrated approach to safeguards, he said that Canada would be pleased to participate in such trials in the context of its ongoing co-operation with the Agency.

28. Mr. TITKOV (Russian Federation) said his delegation, which attached high priority to Programme 93+2, supported the Secretariat's intention to implement the measures outlined in Part 1 of document GOV/2807 as soon as practicable, in particular those concerned with environmental monitoring. Such measures could be a powerful tool for detecting undeclared nuclear activities and might transform existing approaches to safeguards implementation and reduce the burden on SSACs. Also, his delegation welcomed the emphasis being placed on further consultations with States, the development of implementation procedures, the training of SSAC personnel and Agency inspectors, and the development of a system for analysing the information received by the Agency.

29. Field testing of the proposed measures should continue, with the close co-operation of SSACs. In that regard, his delegation believed that the main focus should be on the verification of States' activities at those stages of the nuclear fuel cycle where it was possible to isolate undeclared nuclear material suitable for use in nuclear explosive devices.

30. His delegation, which approved of the envisaged mechanism for applying the Part 1 measures, agreed that the Agency should at the very outset, by writing to States, try to establish a spirit of co-operation and mutual understanding in the interests of avoiding confrontation and legal disputes.

31. It was essential to continue testing the proposed new safeguards methods, to which end countries should agree to their application on a voluntary basis. In his delegation's view, that would help resolve many outstanding problems - including problems of a legal nature.

32. In conclusion, his delegation would like to co-sponsor the draft resolution contained in document GC(39)/COM.5/6.

33. Ms. EDDIB (Libyan Arab Jamahiriya) said her country, which had participated in the NPT Review and Extension Conference and had consistently supported efforts to strengthen the Agency's safeguards system in the interests of global non-proliferation, would like to see all countries concluding comprehensive safeguards agreements with the Agency.

34. With regard to the intention of the Secretariat to conduct further consultations with States, it was important that the Secretariat appreciate their concerns before starting to apply the proposed new measures.

35. Referring to Table 1 in document GOV/2807, she said her delegation associated itself with the suggestion made by the Chairman of the Group of 77 at the Board's June meetings regarding an expansion of the column headed "Measures within existing legal authority" to indicate the paragraphs of document INFCIRC/153 deemed to confer the legal authority in question.¹

36. Mr. RUIZ (Spain), speaking on behalf of the European Union, thanked those representatives who had spoken in favour of the draft resolution before the Committee.

37. With regard to the view that the draft resolution went beyond the scope of the Board's discussions in March and June, he said that its authors had gone to great lengths to reflect faithfully the decisions taken by the Board at its March and June meetings and the relevant decisions of the NPT Review and Extension Conference.

38. Mr. HOOPER (Director, Division of Concepts and Planning) said that the rapid progress made over the past 18 months in implementing Programme 93+2 was due in no small part to the support which the Secretariat had received from a substantial number of Member States. The Secretariat, which intended to continue consulting with Member States regarding Parts 1 and 2 of document GOV/2807, hoped to submit to the Board for consideration in December a document spelling out proposed measures in greater detail.

¹ See para. 15 of GOV/OR.870.

39. With regard to the suggestion made during the Board's June meetings - and just mentioned by the representative of Pakistan - that a group of governmental experts be established, no decision had been taken yet regarding the establishment of such a group, which at present did not seem to be necessary.

40. The CHAIRMAN suggested that a decision regarding the draft resolution be postponed until interested delegations had held informal consultations aimed at finding a compromise formulation.

41. It was so agreed.

MEASURES AGAINST ILLICIT TRAFFICKING IN NUCLEAR MATERIALS AND OTHER RADIOACTIVE SOURCES (GC(39)/19, GC(39)/19/Add.1, GC(39)/COM.5/7)

42. Mr. RUIZ (Spain), introducing the draft resolution contained in document GC(39)/COM.5/7, said that its purpose was to maintain the momentum generated by resolution GC(XXXVIII)/RES/15. He hoped that the Committee would have no difficulty in recommending adoption of the draft resolution by the Conference.

43. Mr. STRATFORD (United States of America) said that the security of nuclear materials was one of the great challenges confronting the world community in the post-Cold War era, and his country therefore welcomed the efforts of the Director General and the Secretariat to help Member States meet their responsibilities connected with the control of such materials.

44. With regard to the report by the Director General contained in document GC(39)/19, his delegation approved of the Secretariat's focus on the four main areas referred to in paragraph 9.

45. Ms. DONNA RABALLO (Argentina), having expressed support for the steps already taken by the Director General and the Secretariat, said that a distinction should be made between radioactive sources on one hand and nuclear materials - particularly special fissionable materials - on the other.

46. Her delegation welcomed the proposals for developing standards and guides designed to help in the prevention of illicit trafficking, and her country would like to participate in the provision of training for national officials in relevant areas.

47. Referring to paragraph 15 of the Director General's report, she said that the scope of the activities of the envisaged international teams of experts would have to be defined very clearly.

48. Mr. WÓJCIK (Poland), having expressed support for the focus of current and future Secretariat actions, said that, because of its geographical location, Poland had particular interest in measures to prevent illicit trafficking in nuclear materials and had taken steps to create an appropriate national infrastructure in that connection.

49. Mr. POSTA (Hungary) said that illicit trafficking in nuclear materials posed a serious challenge to the international nuclear non-proliferation regime and that Hungary, which was unfortunately a transit country for nuclear and other radioactive materials being transported illegally, was paying close attention to the trafficking issue. It welcomed the Secretariat's efforts in that connection, but was aware of the responsibility which lay with individual States. Accordingly, a governmental order regarding measures to be taken if nuclear or other radioactive materials were confiscated or accidentally found was currently being drawn up in Hungary.

50. Referring to paragraph 15 of the Director General's report, he said his country might well avail itself of the envisaged national regulatory programme review service if the Agency launched it.

51. Hungary had already provided information on incidents for inclusion in the database referred to in section III of the Director General's report and would like to see other Member States providing such information.

52. Mr. SCHERBA (Ukraine), commending the Secretariat's efforts, said that his Government was taking steps to increase the effectiveness of its nuclear materials controls and addressing questions related to the transit of nuclear materials within Ukraine.

53. Mr. FUJIKI (Japan), having expressed appreciation of the Agency's efforts to strengthen SSACs, said that experts in his country were considering the question of an appropriate format for the submission of information to the database referred to in section III of the Director General's report. Of course, the question of the kind of information to be submitted was equally important.

54. Mr. SERVIGON (Philippines) said that, in his delegation's view, the problem of illicit trafficking was closely related to the current efforts to strengthen the effectiveness of the Agency's safeguards system and that his delegation looked forward to receiving regular progress reports from the Secretariat.

55. Mr. FISENKA (Belarus), recalling that experts from his country had participated in the November 1994 meeting of governmental experts referred to in paragraph 3 of the Director General's report, said that his country was taking steps to prevent an increase in illicit trafficking.

56. Mr. JAMEEL (Pakistan), having expressed appreciation of the Secretariat's efforts, suggested that a preambular paragraph emphasizing that primary responsibility for preventing illicit trafficking lay with the State or States concerned be added to the draft resolution before the Committee.

57. Mr. ŞOLENDIL (Turkey) said that he had no difficulty with the suggestion made by the representative of Pakistan. However, the draft resolution contained in document GC(39)/COM.5/7 recalled resolution GC(XXXVIII)/RES/15, preambular paragraph (b) of which read "Confirming that the main responsibility in this field rests with national governments and authorities". He therefore questioned the need for the suggested additional preambular paragraph.

58. Mr. RUIZ (Spain) and Ms. DRDÁKOVÁ (Czech Republic) associated themselves with the comments made by the representative of Turkey.

59. Mr. JAMEEL (Pakistan) said that he would not press his suggestion.

60. Mr. OKONKWO (Nigeria) expressed satisfaction with the efforts of the Secretariat and welcomed the recently established database.

61. With regard to the draft resolution before the Committee, he felt that operative paragraph 3 would read better if the text was rearranged as follows:

"3. Invites the Director General during the coming year to continue working in accordance with the conclusions of the Board of Governors; and".

62. Mr. RUIZ (Spain) said he could go along with the proposal made by the representative of Nigeria.

63. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(39)/COM.5/7 with the amendment proposed by the representative of Nigeria.

64. It was so decided.

PERSONNEL QUESTIONS

(a) STAFFING OF THE AGENCY'S SECRETARIAT (GC(39)/15, GC(39)/COM.5/8)

65. Mr. SERVIGON (Philippines), introducing the draft resolution contained in document GC(39)/COM.5/8, said that, despite the Director General's efforts to achieve the objective set out in resolution GC(XXXVIII)/RES/12, the number of Professionals from developing countries serving in the Secretariat had decreased during the past year. As could be seen from Annex III to the report contained in document GC(39)/15, there had been a net decrease of two in the number of Professional staff members from developing countries.

66. Although there had since 1981 been an increase in the percentage of the Agency's Professional and higher-category staff drawn from developing Member States, the fact remained that the figure was still only 31.8%. Moreover, the authors of the draft resolution before the Committee believed that, if the figure ever rose to 33.3% (i.e. one third), the recruitment of Professional and higher-category staff from developing countries should not stop at that point.

67. Mr. OKONKWO (Nigeria) said that his delegation appreciated the efforts of the Director General, but had been struck by the comments made the previous week by the

Resident Representative of Turkey in the Board of Governors regarding transparency in the recruitment and promotion of staff.²

68. The Secretariat should review its policies and practices and modify them where they worked to the disadvantage of developing countries.

69. Mr. GUÉ (France) said that, in his delegation's view, the draft resolution should take account of the fact that a number of Member States not classed as developing countries were also under-represented in the Secretariat and that future reports on staffing should perhaps contain a section dealing specifically with the representation of such Member States.

70. He proposed that the words "and other Member States that are under-represented" be added at the end of operative paragraph 1 of the draft resolution.

71. Mr. LANG (Germany), Mr. STRATFORD (United States of America) and Ms. PALMER (United Kingdom) expressed support for the proposal made by the representative of France.

72. Mr. WEBB (Canada), commending the efforts of the Secretariat to diversify its staff, said that his delegation felt that the Conference - by adopting each year one staffing resolution concerned with the representation of developing countries and one concerned with the representation of women - was posing an insoluble problem for the Secretariat and that the addition proposed by the representative of France might make things even worse.

73. Mr. SCHERBA (Ukraine) said that during the past two years there had been a sharp decrease in his country's representation in the Secretariat. For that reason his delegation welcomed the French proposal.

74. Mr. FUJIKI (Japan) said that his country was one of the under-represented Member States which the representative of France clearly had in mind and that his delegation therefore supported the French proposal. In fact, it felt that the same words should be added also at the end of preambular paragraph (b) and in the middle of preambular paragraph (c).

² See para. 49 of GOV/OR.878.

75. Mr. FIUZA NETO (Brazil), referring to paragraph 11 of the report, said that high standards of efficiency, technical competence and integrity were to be found not only in advanced countries and that some developing countries were now contributing more to the Agency's Regular Budget than some countries considered to be advanced.

76. Mr. EKECRANTZ (Sweden), having expressed support for the French proposal, referred to paragraph 22 of the report and said that his delegation was concerned about the undesirable effects of the government sponsorship practice. His delegation would like the Secretariat to give the matter careful consideration with a view to making proposals for eliminating those effects.

77. Mr. RUIZ (Spain), expressing support for the French proposal, said that there were several countries in Western Europe which considered themselves to be under-represented and that the representation of his own country had been decreasing.

78. The CHAIRMAN asked whether the Committee accepted the French proposal that the words "and other under-represented Member States" be added at the end of operative paragraph 1.

79. It was so decided.

80. The CHAIRMAN then asked the Committee whether it agreed that the same words should be added in preambular paragraphs (b) and (c), as envisaged by the representative of Japan.

81. Mr. FIUZA NETO (Brazil) said that, in his opinion, the additions were unnecessary.

82. Mr. FUJIKI (Japan), supported by Mr. LANG (Germany), Ms. DRDÁKOVÁ (Czech Republic) and Mr. GUÉ (France), pointed out that there were three references to "developing countries" in the draft resolution and said that, in his opinion, those words should be accompanied in each case by a reference to "other under-represented Member States".

83. Ms. PALMER (United Kingdom) suggested that in the case of preambular paragraph (c) it might be better to insert the words "and certain other States".

84. The CHAIRMAN asked the Committee whether it agreed that the words "and other under-represented Member States" should be added at the end of preambular paragraph (b) and that the words "and certain other States" should be inserted after "developing countries" in preambular paragraph (c).

85. It was so decided.

86. Mr. QUAYES (Bangladesh) said that, although Bangladesh was a sponsor of the draft resolution, he would like to propose the addition of a preambular paragraph reading as follows:

"(e) Emphasizing that a large enough pool of qualified expertise exists in developing countries."

87. Mr. GUÉ (France) suggested a reference to "other under-represented Member States" be included in that preambular paragraph also.

88. Mr. FITZGERALD (Ireland) said that Ireland was under-represented in the Secretariat and that he had therefore considered the inclusion of the words "and other Member States that are under-represented" in operative paragraph 1 to be appropriate. He did not, however, think it would be appropriate to include a reference to "other under-represented Member States" in the proposed additional preambular paragraph.

89. Ms. DELLA CROCE (Italy) suggested that the addition of the word "also" after "exists" in the proposed additional preambular paragraph might meet the point which the representative of France wished to make.

90. Mr. QUAYES (Bangladesh) said he could go along with the suggestion made by the representative of Italy.

91. The CHAIRMAN asked the Committee whether it accepted the addition of the following preambular paragraph:

"(e) Emphasizing that a large enough pool of qualified expertise exists also in developing countries,".

92. It was so decided.

93. Mr. TITKOV (Russian Federation), recalling the wording of resolution GC(XXXVIII)/RES/12 adopted in 1994, proposed that the word "substantially" be deleted from operative paragraph 1 of the draft resolution before the Committee.

94. Ms. DRDÁKOVÁ (Czech Republic) supported that proposal.

95. Mr. QUAYES (Bangladesh) said he felt that the word "increase" alone was insufficient. He could go along with the deletion of "substantially" if another word - such as "effectively" - was substituted.

96. Ms. DELLA CROCE (Italy), supported by Mr. PETROV (Bulgaria), proposed substituting "accordingly" for "substantially".

97. The CHAIRMAN asked the Committee whether it accepted the phrase "to intensify his efforts to accordingly increase" in operative paragraph 1.

98. It was so decided.

99. The CHAIRMAN, inviting the Committee to consider the draft resolution as a whole, said he assumed that the Committee accepted it as amended and wished to recommend it for adoption by the General Conference.

100. It was so decided.

APPOINTMENT OF THE EXTERNAL AUDITOR (GC(39)/9)

101. The CHAIRMAN asked the Committee whether it wished to recommend to the General Conference that it appoint the Comptroller and Auditor General of the United Kingdom as the External Auditor to audit the Agency's account for the years 1996 and 1997, as recommended by the Board of Governors.

102. It was so decided.

The meeting rose at 5.50 p.m.