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on Tuesday, 30 September 1997, at 10.55 a.m.

Chairman: Mr. STRATFORD (United States of America)

CONTENTS

<u>Item of the agenda*</u>	<u>Paragraphs</u>
- Election of Vice-Chairmen and organization of work	1 - 8
10 The Agency's accounts for 1996	9 - 13
11 The Agency's budget for 1998	14 - 47
12 Scale of assessment of Members' contributions towards the Regular Budget	48 - 49
13 Measures to strengthen international co-operation in nuclear, radiation and waste safety	50 - 76
(a) Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management	} } } 50 - 76
(b) Measures to resolve international radioactive waste management issues: Establishing predisposal waste demonstration centres	} } }

[*] GC(41)/28.

Abbreviations used in this record

ACSS	Advisory Commission for Safety Standards
LDC	Least developed country
NEA	Nuclear Energy Agency (of OECD))
OECD	Organisation for Economic Co-operation and Development
WANO	World Association of Nuclear Operators
WWER	Water-cooled and -moderated reactor

ELECTION OF VICE-CHAIRMEN AND ORGANIZATION OF WORK

1. The CHAIRMAN, having expressed appreciation for the confidence which the General Conference had placed in him by electing him Chairman of the Committee of the Whole, suggested that the Committee first elect two Vice-Chairmen. Following group consultations, it had been proposed that Mr. Štuller (Czech Republic) and Mr. Halim Mohamed (Sudan) be elected as Vice-Chairmen of the Committee. If there were no objections, he would take it that the Committee wished to elect Mr. Štuller and Mr Halim Mohamed as Vice-Chairmen.

2. It was so decided.

3. The CHAIRMAN drew attention to document GC(41)/COM.5/1, which listed the agenda items referred to the Committee of the Whole by the General Conference. He suggested that, as far as possible, the Committee take those items in the order in which they were listed.

4. It was so decided.

5. The CHAIRMAN proposed that, in line with past practice, he report orally to the Conference at a plenary meeting on the Committee's deliberations, which would also be the subject of detailed summary records.

6. It was so decided.

7. The CHAIRMAN suggested that, since agenda item 20 (Article VI of the Statute) was likely to involve very extensive discussion, as far as possible the Committee's meetings on Wednesday, 1 October, be devoted entirely to it.

8. Mr. BENMOUSSA (Morocco) and Mr. HALIM MOHAMED (Sudan) endorsed the Chairman's suggestion.

THE AGENCY'S ACCOUNTS FOR 1996 (GC(41)/9)

9. Mr. HERRERA ANDRADE (Mexico), having expressed satisfaction with the results reflected in the Agency's accounts, referred to the third paragraph on page 6 of

document GOV/INF/807 (Report on Programme and Budgetary Performance in 1996)¹ and asked what would happen with the financial resources which, owing to the fact that some project tasks had been only partially implemented and some had been cancelled and postponed, had not been expended by the Agency.

10. Mr. ESPINO (Director, Division of Budget and Finance), noting that 157 project tasks not foreseen in the Agency's Programme and Budget for 1995 and 1996 had been planned for implementation - and been fully implemented - in 1996, said that any net unexpended amount would become part of the Agency's cash surplus for 1996 and eventually be returned to Member States.

11. Mr. TITKOV (Russian Federation) said that the accounts showed that in general the Agency had functioned efficiently in 1996, with a high level of project implementation in the Agency's main areas of activity. That positive result had been achieved against a background of zero real growth - a point of great importance to his delegation, which believed that, when a large number of countries were experiencing economic difficulties, international organizations had to take account of financial realities.

12. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page II of document GC(41)/9.

13. It was so decided.

¹ The paragraph in question reads as follows:

“ Table 2 provides a summary of 1996 project task implementation by programme/major programme. A total of 1241 project tasks were planned for implementation in 1996 (including 157 not foreseen in documents GC(XXXVIII)/5 and GC(39)/4, the Agency's Programme and Budget for 1995 and 1996) of which 1031 were fully implemented, 93 were partially implemented, 81 were cancelled and 36 were postponed.”

THE AGENCY'S BUDGET FOR 1998
(GC(41)/10, GC(41)/INF/15)

14. Mr. PECSTEEN (Belgium) said his delegation was pleased with the proposed budget for 1998, which conformed to the principle of zero real growth, and was grateful that the Secretariat had taken account of suggestions made by Member States and of recommendations made by the External Auditor. It hoped that the budget proposals for the following biennium would be drafted in the same spirit.

15. Mr. PETROV (Bulgaria) said that the proposed budget for 1998 was well balanced in respect of its main priorities and expressed the hope that the Secretariat would pursue a policy of strict economy in implementing the approved budget and make optimum use of the financial resources available. He also expressed the hope that the recommendations of the External Auditor would be implemented in good time.

16. Mr. HERRERA ANDRADE (Mexico) questioned the use of the same exchange rate - 12.70 Austrian schillings to the United States dollar - as the basis for Agency budget preparation over a period of several years.

17. Mr. WALLER (Deputy Director General for Administration) said that the question of the exchange rates to be used in preparing Agency budgets had been discussed frequently in the Administrative and Budgetary Committee and the Board of Governors, which had endorsed the use of a constant exchange rate (12.7 Austrian schillings to the United States dollar) over a period of several years in order to facilitate inter-year budget comparisons. The use of that rate - which happened also to be the official United Nations rate for September 1997 - had worked well, particularly in permitting inter-year comparisons, although it had admittedly caused some confusion due to differences vis-à-vis actual exchange rates experienced during individual years.

18. The implications for the Agency of the impending changeover to the Euro in certain European countries were as yet unpredictable, but there might be additional complications. The Secretariat was ready to meet with interested Member States for group consideration of

the budget exchange rate question, and the implications of adoption of the Euro could be considered at that time.

19. Mr. YAMANAKA (Japan) welcomed the fact that the proposed budget for 1998 reflected not just zero real growth, but zero nominal growth. He also welcomed the proposal that the level of the Working Capital Fund be kept at \$18 million.

20. He called for further prioritization, particularly in the area of technical co-operation, and for further efforts to achieve administrative savings and greater efficiency, particularly in the area of safeguards, with a view to ensuring continued sound budgeting within the Agency.

21. Mr. CASTERTON (Canada) said that his country continued to be strongly in favour of zero nominal growth of the budgets of the Agency and the other organizations belonging to the United Nations system. He was pleased that the proposed 1998 budget came close to achieving the zero-nominal-growth objective and hoped that the budgets proposed for the next biennium - reflecting additional efficiency gains - would be along the same lines.

22. Mr. TITKOV (Russia Federation) welcomed the Agency's return to zero real growth, which had demonstrated its effectiveness as an instrument of financial discipline over the past decade, and expressed the hope that the Agency would abide by the zero-real-growth principle in the years ahead.

23. In his delegation's view, the proposed 1998 budget correctly reflected the Agency's top priorities and the Secretariat had largely succeeded in providing for a balanced apportionment of funds among all programmes of major interest to Member States. It should enable the Agency to continue discharging its statutory tasks with the necessary effectiveness and also provide reliable funding for the Agency's activities in the field of safeguards, including the activities arising out of Programme 93+2.

24. Mr. RAGHURAMAN (India) said that the question of Agency programme priorities should be examined against the background of zero real growth of the overall

budget of the Agency, which was the only international organization that could promote nuclear power - an important option for satisfying future energy needs, particularly in developing countries. In that connection, his delegation hoped that the Agency programme on "Comparative Assessment of Energy Sources" would bring out the advantages of nuclear power and that the Agency would take more interest in facilitating nuclear power technology transfer.

25. Given the global implications of nuclear safety, his delegation believed that the Agency's "Nuclear Safety" programme should support Member States through the provision not only of expertise but also of appropriate equipment.

26. He welcomed the proposed establishment in 1998 of a working group on nuclear fuel cycle options as a mechanism for dialogue among Member States on plutonium and related fuel cycle issues.

27. The Agency should continue to encourage nuclear power programmes and nuclear applications in - for example - industry, marine and other environmental studies, food production, health care and hydrology. Also, it should further encourage technical co-operation among developing countries.

28. Mr. WÓJCIK (Poland) said that several countries were facing problems with the acceptance of nuclear power and were therefore interested in the work under way on developing new, more acceptable nuclear power reactor types. His delegation was therefore concerned at the proposed decreases in appropriations for the project "Small and Medium Sized Reactors and Common Aspects of Advanced Reactors" of the "Nuclear Power" programme and for the project "Safety Approaches to the New Generation of Nuclear Power Plants" of the "Nuclear Safety" programme. Perhaps resources saved elsewhere during programme implementation in 1998 could be transferred to those projects and greater prominence be given to the activities in question when the programme for 1999-2000 was drawn up.

29. Mr. RIPLEY (Australia), expressing support for the budget proposed for 1998, said that the Secretariat should continue to seek innovative ways of streamlining administration and reducing overheads.

30. Australia would like to see all Member States paying their assessed contributions and their shares of successive Technical Co-operation Fund targets in full and on time. It was not the purpose of the Working Capital Fund to compensate for the fact that assessed contributions were paid late or not at all by some Member States. The payment of all arrears would very quickly resolve the Agency's financial difficulties. Moreover, a stable situation with regard to the payment of contributions would make it easier for Member States to assess whether the Secretariat was exercising proper financial discipline in the management of the Agency's programmes.

31. Mr. BELLELLI (Italy), commending the proposed budget for 1998, expressed the hope that the zero-real-growth principle would continue to apply in the years ahead, with particular attention paid to management efficiency.

32. In his delegation's view, greater emphasis should be placed on technical co-operation, the area in which the Agency had the greatest potential for producing effective results.

33. Mr. COLE (United Kingdom), having associated himself with the statements made by the representatives of Canada and Australia, congratulated the Secretariat on the presentation of a budget providing for zero nominal growth and expressed appreciation of the Secretariat's efforts to achieve efficiency gains. He hoped that the Secretariat would make similar efforts in the coming biennium and looked forward to zero-real-growth budgets for 1999 and 2000.

34. Mr. RAHMAN (Bangladesh) said that he would have liked to see more emphasis placed on nuclear power and the transfer of related technology and on technical co-operation, especially in promoting nuclear applications in industry, agriculture and health care.

35. Nevertheless, he was in favour of the Conference's adopting the three draft resolutions annexed to the budget document.

36. Mr. MULTONE (Switzerland) said that, although he was satisfied that the proposed budget for 1998 complied with the zero-real-growth criterion, budgeting in a number of countries was currently based on the notion of zero nominal growth. Switzerland would like to see budgeting within the Agency based on that notion in the next biennium.

37. Mr. HALIM MOHAMED (Sudan), associating himself with the statements made by the representatives of India and Bangladesh, said that nuclear technology transfer and enhanced technical co-operation in the nuclear field were essential if developing countries were to remain reasonably competitive in a world of computerization and trade liberalization.

38. Mr. KEMPEL (Austria), commending the Secretariat's efforts to achieve zero real growth, said that his delegation had noted with interest the remarks of the Director General elect about a review of the overall management of the Agency.

39. Arrears continued to be a major problem, and his delegation would like to see all Member States paying their assessed contributions without delay - if only in order to avoid the loss of voting rights.

40. Unlike the representative of Poland, his delegation welcomed the proposed decreases in the appropriations for certain projects relating to advanced power reactor types.

41. Mr. PAPADIMITROPOULOS (Greece) said that his delegation, which attached great importance to zero-real-growth budgeting within the Agency, considered the proposed 1998 budget to be well balanced and was in favour of the Conference's adopting the three draft resolutions annexed to the budget document.

42. Mr. JAMEEL (Pakistan) said that the Secretariat had proved that it was using the Agency's resources efficiently. In his delegation's view, therefore, the obligation

to comply with the principle of zero-real-growth budgeting was an unnecessary straitjacket and the time had come to consider relaxing that obligation.

43. Expressing support for the statements made by the representatives of India and Bangladesh, he said his delegation hoped that in future more attention would be paid to the promotional aspects of the Agency's mandate.

44. Mr. HREHOR (Czech Republic), endorsing the proposed 1998 budget, said that his country attached particular importance to the Agency's nuclear safety and radiation protection activities.

45. Mr. EL-ERYANI (Yemen), expressing support for the proposed budget, said he welcomed the fact that there had been no departure from the principle of zero real growth. Since the Agency programmes relating to technical co-operation and technology transfer were of such great importance to developing countries, and particularly LDCs, the possibility of increasing the resources allocated to those programmes should be considered.

46. The CHAIRMAN assumed that the Committee wished to recommend to the General Conference that it adopt draft resolutions A, B and C set out in Annex I to document GC(41)/10.

47. It was so agreed.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE
REGULAR BUDGET
(GC(41)/15)

48. The CHAIRMAN, noting that there were no speakers on the item, said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page 3 of document GC(41)/15 and the Annex thereto.

49. It was so agreed.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR,
RADIATION AND WASTE SAFETY

(GC(41)/14; GC(41)/INF/5 and Add.1; GC(41)/INF/6, GC(41)/INF/8 and Corr.1;
GC(41)/INF/12 and Corr.1; GC(41)/INF/13; and GC(41)COM.5/9)

- (a) JOINT CONVENTION ON THE SAFETY OF SPENT FUEL MANAGEMENT
AND ON THE SAFETY OF RADIOACTIVE WASTE MANAGEMENT
- (b) MEASURES TO RESOLVE INTERNATIONAL RADIOACTIVE WASTE
MANAGEMENT ISSUES: ESTABLISHING PREDISPOSAL WASTE
DEMONSTRATION CENTRES

50. The CHAIRMAN drew attention to: document GC(41)/14, on measures to resolve international radioactive waste management issues (establishing predisposal waste demonstration centres); document GC(41)INF/5 and Add.1, the Nuclear Safety Review 1997; document GC(41)/INF/6, on the study of the radiological situation at the atolls of Mururoa and Fangataufa; document GC(41)/INF/8, on measures to strengthen international co-operation in nuclear, radiation and waste safety; document GC(41)/INF/12, on the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management; and document GC(41)/INF/13, on liability for nuclear damage. In addition, document GC(41)/COM.5/9 contained a draft resolution on the Convention on Nuclear Safety.

51. Mr. KAYSER (Luxembourg), introducing the draft resolution contained in document GC(41)/COM.5/9, said that the sponsors hoped that it would be adopted by consensus.

52. Mr. BENINSON (Argentina), having thanked the Secretariat for the documentation provided by it, said that Argentina had recently helped in establishing a forum for Iberian and Latin American nuclear regulatory bodies which - he hoped - would become an important means whereby the participants could exchange information on nuclear regulatory matters. At the forum's second meeting, to be held in Buenos Aires in 1998, a peer review process would be used in assessing drafts of the national reports to be prepared pursuant to the Convention on Nuclear Safety.

53. Turning to the question of non-binding international safety standards, he said that Argentina was pleased that the Advisory Commission on Safety Standards (ACSS) and the four associated advisory committees had become operational. In any work on developing standards outside the framework of the mechanism which those bodies constituted, the procedures adopted by those bodies should be followed and there should be close co-ordination with the ACSS and the relevant associated advisory committees.

54. Argentina attached great importance to international peer reviews of the work of the Department of Nuclear Safety. The resulting recommendations were significant, and his delegation was pleased that the Secretariat had taken into account the recommendations made in the past.

55. His country was supporting the study of the radiological situation at the atolls of Mururoa and Fangataufa, and he hoped that the study would be completed in 1998 and the resulting report circulated widely.

56. Ms. OK (Turkey) said that her country was satisfied with the implementation of General Conference resolution GC(40)/RES/12 on "Measures to resolve international radioactive waste management issues: establishing predisposal waste demonstration centres" and that a second demonstration course had been held in June at the Çekmece Nuclear Research and Training Centre, Istanbul. She hoped that the programme in question would continue, with the establishment of similar demonstration centres in other regions.

57. Mr. MANNINEN (Finland), commending the way in which the Department of Nuclear Safety was functioning, said that Finland attached particular significance to the extrabudgetary programme on the safety of nuclear installations in South East Asia, the Pacific region and the Far East and also to the continuing Department activities in support of efforts to increase the safety of power reactors in Eastern Europe; it was prepared to make its WWER experts available for those activities.

58. Finland welcomed the improved co-ordination in the nuclear safety field between the Agency and other organizations, particularly OECD/NEA and WANO, which should

strengthen the Agency's role in promoting safe practices and facilitate the development of non-binding international standards.

59. Referring to the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, he said that, although their adoption represented notable achievements, accession to them was only the first step; more important would be the actions necessary at the national level in order to meet the requirements of those two conventions.

60. Ms. MOSLEY (New Zealand) said that scientists from her country had been participating in the independent study on the environmental impact of nuclear testing at the Mururoa and Fangataufa atolls and that the New Zealand Government was looking forward to the release of the study report in 1998.

61. Mr. RAGHURAMAN (India), referring to agenda sub-item 13(a) ("Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management"), said that India had developed suitable technologies for the safe management of radioactive waste and was ready to offer, under the auspices of the Agency, a training programme to Member States which had not yet developed radioactive waste management infrastructures.

62. Mr. YAMANAKA (Japan) said that his country attached great importance to the establishment of an international legal regime for nuclear safety and also to implementation of the Convention on Nuclear Safety at the national level. It hoped that the Secretariat would provide the support necessary for the peer reviews envisaged in the Convention.

63. Mr. EL GHERNOUGUI (Morocco), having requested that the full name of the Convention on Nuclear Safety be spelled out throughout the draft resolution contained in document GC(41)/COM.5/9, suggested the addition in operative paragraph 3 of the phrase "and also requests the Director General to report on the implementation of this resolution to the General Conference at its forty-second regular session".

64. Mr. JAMEEL (Pakistan) said that his country, which attached the greatest importance to nuclear safety, had been one of the first signatories of the Convention on Nuclear Safety. It had just deposited its instrument of ratification of the Convention, so that the figure of 40 in preambular paragraph (c) of the draft resolution should be changed to 41.

65. With regard to preambular paragraph (d), he suggested that the phrase "and in promoting international co-operation" be added at the end.

66. Mr. HALIM MOHAMED (Sudan) expressed support for the suggestions made by the representatives of Morocco and Pakistan.

67. The CHAIRMAN said that the Secretariat had confirmed that 41 States had by now deposited their instruments of ratification, acceptance or approval of the Convention on Nuclear Safety, so that the number in preambular paragraph (c) would be changed to 41.

68. Mr. SNYDER (United States of America) commended the work of the Secretariat - and particularly the Department of Nuclear Safety - in the nuclear, radiation and waste safety area.

69. His Government was pleased with the results of the April 1997 preparatory meeting of Contracting Parties of the Convention on Nuclear Safety. The Convention had been sent to the United States Senate in May 1995 for advice and consent to ratification, and his delegation hoped that the United States would become a Contracting Party in the near future. His delegation was supporting the efforts being made to achieve the widest possible adherence to the Convention, particularly among countries with nuclear installations.

70. Ms. TATIKIAN (Armenia) said that her Government had ratified the Convention on Nuclear Safety on 23 September 1997 and that Armenia was ready to exchange information on nuclear safety with its neighbouring countries.

71. Mr. SCHMIDT (Austria), having noted that Austria had deposited its instrument of ratification of the Convention on Nuclear Safety at the end of August 1997,

said that his delegation had misgivings about the suggested addition of “and in promoting international co-operation” at the end of preambular paragraph (d); in his delegation’s view, the addition of those words would shift the focus of the preambular paragraph away from the Agency’s role in nuclear safety.

72. Mr. EL GHERNOUGUI (Morocco) suggested that the words “in this regard” also be added at the end of preambular paragraph (d) - after the additional words “and in promoting technical co-operation”.

73. Mr. SCHMIDT (Austria) welcomed the suggestion made by the representative of Morocco.

74. Mr. KAYSER (Luxembourg) said that in his view the sponsors of the draft resolution contained in document GC(41)/COM.5/9 could go along with the amendment suggestions which had been made.

75. The CHAIRMAN said he assumed that the Committee wished to recommend to the General Conference that it take note of the information contained in documents GC(41)/INF/5 and Add.1, GC(41)/INF/6 and GC(41)/INF/8 and Corr.1 and that it adopt the draft resolution contained in document GC(41)/COM.5/9 with “40” changed to “41” in preambular paragraph (c), with the full name of the Convention on Nuclear Safety spelled out throughout, with the words “and in promoting international co-operation in this regard” added at the end of preambular paragraph (d) and with the words “ and also requests the Director General to report on the implementation of this resolution to the General Conference at its forty-second regular session” added at the end of operative paragraph 3.

76. It was so agreed.

The meeting rose at 1. p.m.

