

# General Conference

**GC(50)/GEN/OR.2**

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**Fiftieth (2006) Regular Session**

## General Committee

### Record of the Second Meeting

*Held at the Austria Center, Vienna, on Thursday, 21 September 2006, at 9.20 a.m.*

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<sup>1</sup> GC(50)/21.

## **Attendance**

### Chairman

Mr. MINTY (South Africa), President of the General Conference

### Members

Ms. GERVAIS-VIDRICAIRE (Canada), Vice-President of the General Conference

Mr. KHALIL, representing Mr. RAMZY (Egypt), Vice-President of the General Conference

Mr. KIM Sung-Hwan, representing Mr. KIM Woo-Sik (Republic of Korea), Vice-President of the General Conference

Mr. SERGEEV, representing Mr. KIRIENKO (Russian Federation), Vice-President of the General Conference

Mr. SHANNON (Australia), Chairman of the Committee of the Whole

Mr. KORNELIOU (Cyprus), Additional Member

Mr. GROSS, representing Mr. BUGAT (France), Additional Member

Mr. NIEWODNICZAŃSKI, representing Mr. WASZCZYKOWSKI (Poland), Additional Member

Mr. OTHMAN (Syrian Arab Republic), Additional Member

Mr. GLASS, representing Mr. BODMAN (United States of America), Additional Member

Ms. GARCIA DE PÉREZ, representing Mr. MÁRQUEZ MARÍN (Bolivarian Republic of Venezuela), Additional Member

### Secretariat

Mr. WALLER, Deputy Director General, Department of Management

Mr. RAUTENBACH, Director, Office of Legal Affairs

Mr. ANING, Secretary of the Committee

– **Adoption of the agenda for the meeting**  
(GC(50)/GEN/2)

1. The CHAIRMAN, asked whether the Committee wished to adopt the provisional agenda contained in document GC(50)/GEN/2.
2. The agenda was adopted.

– **Restoration of voting rights**  
(GC(50)/INF/7 and 11)

3. The CHAIRMAN said that two requests for the restoration of voting rights were before the Committee, from Georgia and the Republic of Moldova. Under Article XIX.A of the Statute, a member of the Agency which was in arrears with the payment of its financial contributions to the Agency had no vote in the Agency if the amount of its arrears equalled or exceeded the amount of the contributions due from it for the preceding two years. The General Conference could nevertheless permit such a member to vote if it was satisfied that the failure to pay was due to conditions beyond the control of the member.
4. Mr. WALLER (Deputy Director General for Management) said that document GC(50)/INF/7 contained a letter from the Resident Representative of Georgia dated 13 July 2006 concerning the restoration of Georgia's voting rights. In that letter, the Resident Representative explained that Georgia had faced serious financial difficulties for a number of years but remained committed to fulfilling its financial obligations to the Agency. To that end, his Government had made a recent payment of over €60 000 and had requested the conclusion of both a ten-year payment plan, starting in 2007, to pay off its arrears to the Regular Budget, and a three-year payment plan, starting in 2007, to settle its arrears of assessed programme costs.
5. Document GC(50)/INF/11 contained a letter from the Prime Minister of the Republic of Moldova dated 5 September 2006 concerning the restoration of that country's voting rights. That letter stated that the economic stagnation experienced by Moldova and other countries in transition had prevented it from fulfilling its financial obligations to the Agency. Nonetheless the Government was determined to settle the country's arrears and, to that end, had submitted a payment plan to the Agency.
6. With regard to Georgia, he confirmed that a ten-year payment plan for the settlement of Regular Budget arrears and a three-year payment plan for the settlement of arrears of assessed programme costs had been successfully concluded. A letter from the Secretariat to Georgia's Deputy Minister for Foreign Affairs, dated 8 August 2006, had conveyed those decisions.
7. He also confirmed that a seven-year payment plan for the settlement of arrears to the Regular Budget had been concluded with Moldova. That decision had been conveyed to Moldova's Resident Representative in a letter from the Secretariat dated 14 September 2006.

8. The CHAIRMAN noted that a report on measures taken to facilitate payment of contributions and a status report on Member States participating in a payment plan had been issued and was contained in document GC(50)/INF/10.

9. He invited the Committee to turn to document GC(50)/INF/7 which contained a communication received from Georgia requesting that Article XIX.A of the Statute be waived in its case and that its voting rights be restored.

10. Mr. SERGEEV (Russian Federation) said that it was important to follow the provisions of the Statute which stated that, to be eligible to vote, a country had to contribute a certain minimum sum. Attachment 1.B to the Note by the Secretariat on the financial situation of the Agency contained in document 2006/Note-47 stated that Georgia's total arrears were €671 977 and that the minimum contribution required for it to regain its voting rights was €616 063. In the Resident Representative's letter to the Director General, it was stated that Georgia had made a payment of over €60 000, which was not even 10% of its arrears. Attachment 1.C to document 2006/Note-47 stated that the amount paid was €39 281. Russia welcomed the fact that Georgia had concluded payment plans with the Agency. Such a plan was important, but Georgia would not be starting its payment plan until 2007. For that reason, Russia did not agree to the restoration of Georgia's voting rights which it believed should be postponed until 2007.

11. Mr. WALLER (Deputy Director General for Management) said that document GC(42)/10 on the criteria or guidelines for consideration of requests for the restoration of voting rights included among such criteria "Provision of evidence that the affected Member State had actually transferred a partial amount of the arrears, which had not been received by the Agency, or similarly a minimum due, the payment of which would take the applicant below the critical threshold, within the sense of Article XIX.A" and "Indication of the specific measures taken by the affected Member State to wipe out its arrears (e.g. by a schedule of proposed payments)." Thus there was no requirement per se that the payment plan be in effect. The decision was up to the Committee, based on the evidence of measures taken by the Member State.

12. In response to the query of the representative of the Russian Federation regarding the different payment sums given in the document cited, he confirmed that a payment of over €60 000 had been made by Georgia, but the Secretariat had been requested to allocate €39 281 thereof to the Regular Budget and the remainder to national participation costs for technical cooperation activities.

13. Mr. SERGEEV (Russian Federation) noted with satisfaction that Georgia was taking steps to pay off its arrears, but the main criterion to be taken into consideration was the Agency's Statute, specifically Article XIX.A. As Georgia would be in a position to pay in the future, discussion of the restoration of its voting rights should be postponed until 2007.

14. He therefore put forward the motion that Georgia's request for restoration of its voting rights contained in document GC(50)/INF/7 be refused.

15. The CHAIRMAN invited the Committee to vote on the motion.

16. There was 1 vote in favour and none against, with 8 abstentions. The Russian proposal was accepted.

17. The CHAIRMAN assumed that the Committee was of the view that the failure of Georgia to pay the amount necessary to avoid the application of Article XIX.A of the Statute was not due to conditions beyond its control and therefore wished to recommend that Georgia's request not be granted.

18. It was so decided.

19. The CHAIRMAN invited the Committee to turn to document GC(50)/INF/11 which contained a communication received from the Republic of Moldova requesting that Article XIX.A of the Statute be waived in the case of Moldova and that its voting rights be restored.
20. Mr. SERGEEV (Russian Federation) said that his previous comments concerning Georgia applied equally to Moldova's request. The only difference between the two situations was that there was no indication in the letter from the Prime Minister of Moldova that the country had made any payments towards its arrears. He pointed out that, according to document 2006/Note-47, Moldova's total arrears to the Regular Budget were €315 318 and the minimum payment required for it to regain its voting rights was €297 613. Russia was pleased to hear that Moldova had concluded a payment plan with the Agency, but that did not change the situation. It therefore opposed restoring Moldova's voting rights and would welcome a vote on the issue.
21. Mr. WALLER (Deputy Director General for Management) said that Moldova's most recent payment to the Regular Budget had been US \$14 000 in December 2004 and it had made a payment of \$34 700 to the Technical Cooperation Fund in August 2006.
22. Mr. GLASS (United States of America) noted that it was very important for countries wishing to have their voting rights restored not only to have a payment plan, but also to be actively engaged in making payments under that plan.
23. Mr. WALLER (Deputy Director General for Management) said that, in most cases in the past, a country's payment plan had begun in the same year that it had requested the restoration of its voting rights. The only exception had been Iraq, whose voting rights had been restored in 2005 with a payment plan to begin in 2006. However, in the interim, money had become available through the so-called oil for food programme and Iraq had then paid its arrears to the Agency leaving the payment plan moot.
24. Mr. SERGEEV (Russian Federation) put forward the motion that Moldova's request for the restoration of its voting rights contained in document GC(50)/INF/11 be refused.
25. The CHAIRMAN invited the Committee to vote on the motion.
26. There were 2 votes in favour and none against, with 8 abstentions. The Russian proposal was accepted.
27. The CHAIRMAN assumed that the Committee was of the view that the failure of the Republic of Moldova to pay the amount necessary to avoid the application of Article XIX.A of the Statute was not due to conditions beyond its control and therefore wished to recommend that Moldova's request not be granted.
28. It was so decided.

## **24. Examination of delegates' credentials** (GC(50)/25 and 26)

29. The CHAIRMAN, recalling Rules 27, 28 and 29 of the Rules of Procedure, said that credentials designated the delegate of a Member State to a given session of the General Conference, that credentials were submitted to the Director General and that they were issued by the Head of State or Government or by the Minister of Foreign Affairs of the Member State concerned.

30. Mr. RAUTENBACH (Director, Office of Legal Affairs), responding to a point raised by Ms. GARCÍA de PÉREZ (Bolivarian Republic of Venezuela), said that the report to the Plenary could be adjusted to reflect Venezuela's presentation of credentials satisfying the requirements of Rule 27.

31. The CHAIRMAN suggested that the Committee submit to the General Conference a report stating that it had met to examine the credentials of delegates in accordance with Rule 28 of the Rules of Procedure, and containing a list of Member States whose delegates had, in the Committee's opinion, submitted credentials satisfying the requirements of Rule 27 of the Rules of Procedure, and another list indicating the Member States for whose delegates the Director General had received communications that did not comply with that Rule. In accordance with past practice, the report could indicate that the Committee considered that delegates in the latter category should, nevertheless, be allowed to participate in the work of the Conference on the understanding that they would submit credentials in due form as soon as possible, preferably before the end of the current session. The report should further state that the Committee had had before it a statement submitted by the Ambassador of the Sultanate of Oman, Dean of the Arab Diplomatic Corps in Vienna, on behalf of certain Arab delegations participating in the session concerning their reservations about the credentials of the Israeli delegation, as well as a document setting out the position of Israel with regard to those reservations. Finally, the report could recommend that the General Conference adopt, with the reservations and position mentioned, the following draft resolution:

Examination of Delegates' Credentials:

"The General Conference

Accepts the report by the General Committee on its examination of the credentials of delegates to the Conference's fiftieth regular session, which is set forth in document GC(50)/27."

32. He asked whether the General Committee wished a report on the lines he had described to be prepared and submitted to the General Conference.

33. It was so decided.

**The meeting rose at 9.50 a.m.**