

General Conference

GC(52)/COM.5/OR.5

Issued: October 2008

General Distribution

Original: English

Fifty-second regular session

Committee of the Whole

Record of the Fifth Meeting

Held at the Austria Center, Vienna on Friday, 3 October 2008, at 10.20 a.m.

Chairman: Mr NIEWODNICZAŃSKI (Poland)

Contents

Item of the agenda ¹		Paragraphs
15	Strengthening of the Agency's technical cooperation activities	1–52

¹ GC(52)/COM5./1.

Abbreviations used in this record:

OECD	Organisation for Economic Cooperation and Development
TCF	Technical Cooperation Fund

15. Strengthening of the Agency's technical cooperation activities (GC(52)/INF/5 and Supplement, GC(52)/COM.5/L.10)

1. The representative of BRAZIL, introducing the draft resolution in document GC(52)/COM.5/L.10 on behalf of the Group of 77 and China, said the sponsors had kept as closely as possible to the language of resolution GC(51)/RES/13 adopted in 2007 while endeavouring to reflect developments since the 2007 session of the General Conference. As some delegations had to consult with their capitals, there were still paragraphs on which it had not yet been possible to achieve consensus — namely, paragraphs (n), (q), 2, 4 and 24.
2. The representative of NORWAY expressed support for the draft resolution as it stood.
3. The representative of the NETHERLANDS said, with regard to paragraph 4, that a hedging mechanism could be useful for protecting the resources of funds besides the TCF — for example, the Nuclear Security Fund. Perhaps the paragraph could be made more general in terms of the resources to be protected.
4. He proposed the addition, at the end of paragraph 9, of the words “and underlining the importance of the “Delivering as One” approach in this regard”.
5. Referring to paragraph 18, he proposed replacing “additional resources” with “sufficient, assured and predictable resources” — the phrase used in paragraph 16 of resolution GC(51)/RES/13. Also, he sought clarification as to the thinking behind the phrase “including through overseas development aid”.
6. Noting that paragraph 19 of resolution GC(51)/RES/13 had not been included in the draft resolution, he proposed that it be included, but with “the Chernobyl disaster” replaced by “nuclear safety incidents”.
7. Lastly, he sought clarification as to the purpose of paragraph 24.
8. The representative of the UNITED KINGDOM said that her delegation would also welcome clarification as to the purpose of that paragraph.
9. The representative of BRAZIL said that through paragraph 24 the Group of 77 and China wished to further stimulate government cost-sharing, which was already being practiced by a substantial number of recipient Member States.
10. Regarding paragraph 18, the Group would like “additional resources” to be retained.
11. Regarding paragraph 9, the Group believed that the “Delivering as One” approach of the United Nations might have a negative impact on the Agency's technical cooperation activities — for example, by making resource mobilization more difficult.
12. Regarding paragraph 4, in his view it would not be appropriate — as the draft resolution was exclusively about technical cooperation — to make it more general by referring to the protection of the resources of funds besides the TCF.
13. The representative of NORWAY said that it was her delegation that had requested the inclusion, at the end of paragraph 18, of the phrase “including through overseas development aid” — which in fact should read “including through official development assistance”. The reason for its request was

that in the OECD Development Assistance Committee some thought was being given to removing the Agency from the list of international organizations official contributions to which might be reported in whole or in part as official development assistance (ODA). Her delegation hoped that the Secretariat would help to prevent the Agency's removal from the list by reporting extensively on the developmental impact of the technical cooperation programmes of the Agency because many countries supported those programmes through their ODA budget lines.

14. The representative of CANADA proposed that there be a reference in operative paragraph 2 to the graduation of net recipient Member States from their net recipient status, as graduation from net recipient status should be encouraged.

15. Regarding the statement just made by the representative of Norway, his delegation would welcome close interaction between the Agency and the OECD Development Assistance Committee, as concerns had been expressed in that body with regard to the funding of Agency technical cooperation projects; the fact that the Europe region in 2007 had received 28% of the technical cooperation programme resources had given rise to questions about the classification of contributions to the TCF as official development assistance.

16. The representative of NORWAY said it was her delegation's understanding that the Agency was being requested to report to the OECD Development Assistance Committee on the developmental impact of its technical cooperation programmes.

17. The representative of MOROCCO said, with regard to paragraph 4, that mechanisms for protecting the resources of funds other than the TCF could be referred to in other draft resolutions.

18. Regarding paragraph 18, by "additional" resources the sponsors of the draft resolution had in mind resources from other organizations — not resources of the TCF, which were provided by Member States and should, of course, be "sufficient, assured and predictable".

19. The representative of the UNITED KINGDOM expressed concern about the reference to "*a priori* criteria" in paragraph 2.

20. Regarding paragraph (n), her delegation was in favour of expanding it, through the addition of a reference to a report to the Board on the issue of erosion of the TCF's purchasing power, and deleting paragraph 4.

21. Her delegation would welcome the insertion of a reference to the "Delivering as One" approach of the United Nations in paragraph 9 and the replacement of "additional" by "sufficient, assured and predictable" in paragraph 18.

22. The representative of the ISLAMIC REPUBLIC OF IRAN, recalling paragraph 19 of resolution GC(57)/RES/13 adopted in 2007, said that the Group of 77 and China had decided that it was not necessary to include in the draft resolution now before the Committee an operative paragraph about the consequences of the Chernobyl disaster.

23. Regarding paragraph 2 of the draft resolution, the Secretariat was merely requested to report to the Board on possible *a priori* criteria to be applied in setting TCF targets. It would be for the Board to decide if the criteria were appropriate.

24. His delegation was opposed to making paragraph 4 more general and to the replacement of "additional" by "sufficient, assured and predictable" in paragraph 18.

25. The representative of FRANCE expressed support for the comments made by the representative of the United Kingdom with regard to paragraphs 2 and 24. His delegation was unhappy with the word

“mechanisms” in paragraph 4, since it implied automaticity. It would prefer a word that did not carry that implication.

26. The representative of JAPAN said that his delegation also had a problem with the word “additional” in paragraph 18. It would prefer “sufficient, assured and predictable”.

27. As it stood, paragraph 24, with the word “entirely”, seemed to imply excluding the use of part of the cost-sharing contributions from recipient Member States for meeting support costs. That created problems for his delegation.

28. The representative of the UNITED STATES OF AMERICA said that the issue raised in paragraph 24 needed to be examined in a thorough and transparent manner. In his delegation’s view, therefore, the paragraph should be deleted; simply rewording it would not be sufficient.

29. His delegation also believed that paragraph 4 should be deleted since the preamble adequately addressed the issue in question.

30. The representative of CANADA agreed that paragraph 24 should be deleted and said that the phrase “*a priori* criteria” in paragraph 2 was inappropriate; he suggested that it be replaced it by “mechanisms”.

31. Regarding paragraph 18, he suggested that the phrase “the developmental impact of the TC programme” be replaced by “the disbursement of TC funds for projects in those developing Member States eligible for official development assistance”. He agreed that “additional” should be replaced by “sufficient, assured and predictable”.

32. The representative of NORWAY expressed support for the suggestion made by the representative of Canada with regard to the phrase “the developmental impact of the TC programme” in paragraph 18, but said that her delegation would prefer to retain the word “additional” in that paragraph.

33. Regarding paragraph 2, her delegation preferred the phrase “*a priori* criteria” to “mechanisms”.

34. Her delegation was opposed to the deletion of paragraph 4 given the importance of protecting the resources of the TCF.

35. Regarding the proposed deletion of paragraph 24, she suggested that the paragraph be retained, with “recipient Member States” amended to “developing Member States”.

36. The representative of AUSTRALIA, referring to paragraph (m), recalled that in paragraph 5 of resolution GC(47)/RES/9, adopted in 2003, the General Conference had spoken of “an appropriate alternative mechanism”. Accordingly, his delegation believed that “mechanisms” would be preferable to “*a priori* criteria” in paragraph 2 of the draft resolution now under consideration.

37. Since Australia, like some other countries, made all of its contributions in support of the Agency’s technical cooperation programmes through its official development assistance agency, his delegation was opposed to replacing the word “additional” in paragraph 18 by “sufficient, assured and predictable”. Use of the word “sufficient” might imply that those countries’ contributions were insufficient.

38. The representative of the NETHERLANDS suggested replacing, in paragraph 4, “the resources of the TCF” by “the resources of the Agency’s voluntary funds, including the TCF”.

39. Regarding the comments made by the representative of Brazil about the “Delivering as One” approach of the United Nations, that approach was being applied in several developing countries. In his delegation’s view, therefore, it should be mentioned at a suitable position in the draft resolution.

40. The representative of the UNITED KINGDOM said she agreed with the representatives of Canada and the United States of America that paragraph 24 should be deleted.
41. Urging that paragraph 4 be deleted, she said that several United Kingdom government departments, concerned about the effects of currency fluctuations, had seriously considered hedging and other mechanisms, and had rejected them as excessively risky.
42. The representative of BRAZIL said that, in the view of the Group of 77 and China, there should be an operative paragraph on the subject of protecting the resources of the TCF. Admittedly, the wording of paragraph 4 might need to be amended in order to allay some delegations' concerns.
43. The representative of NORWAY suggested that the words "including a hedging mechanism" be deleted.
44. Her delegation supported the proposal made by the representative of the Netherlands for the inclusion of a paragraph referring to "nuclear safety incidents" based on paragraph 19 of resolution GC(51)/RES/13.
45. In the light of the comments made by the representative of Australia regarding paragraph 2, she agreed that "mechanisms" would be preferable to "*a priori* criteria" in that paragraph.
46. The representative of the SYRIAN ARAB REPUBLIC said that her delegation would like paragraph 2 to be left unchanged and the word "additional" to be retained in paragraph 18.
47. The representative of MOROCCO, referring to paragraph 2, said that mechanisms for setting the TCF targets already existed — it was criteria that were needed; the paragraph should, therefore, remain unchanged.
48. He questioned the proposal made by the representative of Canada for the addition, in paragraph 2, of a phrase about the graduation of net recipient Member States from their net recipient status. How was that issue related to the rest of the paragraph? It could, if necessary, be addressed in a separate paragraph.
49. Regarding the suggestion made by the representative of the Netherlands that, in paragraph 4, "the resources of the TCF" be replaced by "the resources of the Agency's voluntary funds, including the TCF", he did not see why voluntary funds other than the TCF should be referred to in a draft resolution dealing specifically with the Agency's technical cooperation activities.
50. Lastly, he questioned the suggestion made by the representative of Canada that in paragraph 18 "the developmental impact of the TC programme" be replaced by "the disbursement of TC funds for projects in those developing Member States eligible for official development assistance".
51. The CHAIRMAN proposed that the Committee revert to the draft resolution at a later meeting.
52. It was so agreed.

The meeting rose at 11.45 a.m.