

## **General Conference**

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Sixtieth regular session

# Committee of the Whole

#### **Record of the Ninth Meeting**

Held at Headquarters, Vienna, on Thursday, 29 September 2016, at 6.40 p.m. Chair: Mr CSERVENY (Hungary)

Contents		
Item of the agenda <sup>1</sup>		Paragraphs
14	Nuclear security (continued)	1–21
17	Strengthening the effectiveness and improving the efficiency of Agency safeguards <i>(resumed)</i>	22–123

<sup>1</sup> GC(60)/COM.5/1.

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### Abbreviations used in this record:

CSA	comprehensive safeguards agreement	
INFCIRC	information circular	
INSServ	International Nuclear Security Advisory Service	
INTERPOL	International Criminal Police Organization	
IT	information technology	
MOSAIC	Modernization of the Safeguards Information Technology project	
NPT	Treaty on the Non-Proliferation of Nuclear Weapons	
SLA	State-level approach	
SLC	State-level concept	

The composition of delegations attending the session is given in document GC(60)/INF/6.

### **14.** Nuclear Security (continued) (GC(60)/11; GC(60)/INF/9; GC(60)/COM.5/L.11 and Add.1)

1. The representative of the <u>UNITED STATES OF AMERICA</u> said that the wording "with a view to achieving a suitable balance" in paragraph 13 did not imply that nuclear security and nuclear safety should be equal, as other representatives had suggested, but rather that a mechanism was required to ensure that provision was proportionate.

2. His country proposed that "in" be replaced by "among" in the phrase "in other nuclear security-related initiatives and fora" in paragraph 16 and that "and INTERPOL" be inserted before "to work jointly" in recognition of the cooperation inherent in INTERPOL's semi-annual information exchange meeting.

3. It proposed that "the discussion on" be deleted from paragraph 28, into which "<u>requests</u> the Secretariat to take note of and consider as appropriate" would be inserted before "the report of the Chairman" to ensure consistency with the agreed changes to the resolution on measures to strengthen international cooperation in nuclear radiation, transport and waste safety.

4. It called for "and with international institutions and initiatives" to be inserted before "to strengthen national capacities" in paragraph 31, for "and during transport" to be inserted after "insider threats at nuclear facilities" in paragraph 34, and for "consider developing a methodology to enable the voluntary reporting of incidents related to cyber- and computer security attacks while protecting sensitive information involved," to be inserted before "to develop appropriate guidance" in paragraph 35.

5. The representative of <u>NORWAY</u> supported the amendment to the amendment proposed by the representative of Switzerland which included the words "by relevant States" after "voluntary measures".

6. While Norway strongly preferred the original wording of paragraphs (f) and 4, it was prepared to compromise and support the amendment proposed by the representative of the United Kingdom in the hope that the wording would not be weakened further by other amendments.

7. Norway supported paragraph 7 as submitted and appealed to all Member States to show the necessary flexibility in order to reach consensus on the draft resolution.

8. The representative of <u>SWITZERLAND</u> proposed that "in a timely manner" be inserted after "and to take into account as appropriate recommendations resulting from such peer reviews" in paragraph 38.

9. The representative of the <u>RUSSIAN FEDERATION</u> said that the significance of paragraph 22 differed from that of the corresponding paragraph in the 2015 resolution owing to the insertion of "including". The Russian Federation would not object if the intention was to ensure compliance with the Agency's rules and regulations. It pointed out, however, that it was the State's responsibility to decide on and put in place the requisite systems, while the Secretariat merely provided assistance. Nuclear security would otherwise be carbon copied worldwide, thus heightening vulnerability to terrorist attacks, should common weaknesses be identified.

10. To ensure that paragraph 28 was wholly consistent with paragraph 121 of the resolution on measures to strengthen international cooperation in nuclear radiation, transport and waste safety, the

Russian Federation proposed that "requests the Secretariat to take note of and consider, as appropriate," be inserted before "the report" and that no further changes be made to paragraph 28.

11. It proposed that "delay" be deleted from paragraph 30 in order to remove the impression that trafficking in nuclear material was unavoidable.

12. It called for paragraph 34 to be divided into two, inasmuch as different measures requiring different mechanisms were involved.

13. The Russian Federation would find it difficult to agree to the changes to wording of paragraph 35, for the rationale for gathering information and establishing mechanisms on cyberattacks or similar incidents was unclear, particularly in the light of the extant Illicit Trafficking Database, through which information was divulged to other States and exploited politically.

14. Nor could it agree to the portrayal of peer reviews as forming part of nuclear security; it therefore called for the reinstatement in paragraph 38 of the wording used in corresponding paragraphs in previous resolutions, which called on the Member States themselves to take responsibility and acknowledged that the Agency was continuing to perfect its instrumentation on the basis of lessons learned from IPPAS and INSServ missions.

15. The representative of <u>JAPAN</u> strongly supported the wording proposed by the representative of the United Kingdom for paragraphs (f) and 4.

16. The representative of <u>SLOVENIA</u> was in favour of inserting "and during transport" into paragraph 34, as proposed by the representative of the United States of America

17. The representative of <u>INDIA</u> said that he would seek clarity as to the meaning of paragraph 31, in which regional, national and international activities featured as a single group, despite the differing controls required at the various levels.

18. He acknowledged the flexibility shown in the significant changes to the wording of paragraphs (f) and 4, which would be discussed further with the drafting team.

19. The representative of <u>PAKISTAN</u> thanked the representative of the United Kingdom for the flexibility shown in rewording both paragraphs (f) and 4, which he was prepared to accept. Pakistan was satisfied with the amendments to paragraphs (k) and 16 proposed by the Islamic Republic of Iran

20. The representative of <u>BRAZIL</u> welcomed the compromise reached over the wording of paragraphs (f) and 4.

21. The representative of the <u>RUSSIAN FEDERATION</u> voiced concern at the proposed changes to paragraphs (f) and 4 and considered that further discussion on both paragraphs was required.

### 17. Strengthening the effectiveness and improving the efficiency of Agency safeguards (resumed)

(GC(60)/COM.5/L.10/Rev.1)

22. The representative of <u>AUSTRIA</u> said that proposed amendments on which there had been broad consensus had been incorporated into document GC(60)/COM.5/L.10/Rev.1, then before the Committee, to which a non-paper had been submitted setting out proposed amendments on which no consensus had been reached.

23. She read out paragraphs (c), (g), (h), (o), (s), (t), 8, 30, 34 and 37 as amended and as contained in document GC(60)/COM.5/L.10/Rev.1.

24. Turning to the non-paper, she said that text struck through had not been supported by the majority of the group. She read out such texts, which concerned paragraphs 7 and 7 bis, proposed by the representative of Pakistan, and paragraphs 8 bis, 8 ter, 28 ter, 29 and 30 bis, submitted by the representative of the Russian Federation.

25. The representative of <u>PAKISTAN</u> said that Pakistan would accept paragraph 7 as set out in document GC(60)/COM.5/L.10/Rev.1, for it believed that all States that were legally obliged to conclude comprehensive safeguards agreements must do so and fulfil them in letter and in spirit.

26. Pakistan would, however, uphold proposed paragraph 7 bis, which was a standalone paragraph designed to strengthen the efficiency and effectiveness of safeguards by ensuring that the vast majority of nuclear material in the world could not be diverted to weapons production.

27. The representative of the <u>RUSSIAN FEDERATION</u> said that his country had decided not to participate in the informal consultations because the outcomes of such cooperation left much to be desired. His delegation would comment on the revised draft resolution after due perusal.

28. He was disappointed that the request to distribute a document setting out the Russian Federation's proposals to the Committee had been ignored and he wondered whether an attempt was being made to provoke conflict or to curry favour with the co-sponsors of the resolution in the belief that they were more right than other Member States. His delegation did not take the matter personally as it was obliged to proceed as instructed by its Government. It was important for the Committee to see the amendments proposed by the Russian Federation in writing, for all proposals must be taken into account.

29. The <u>CHAIR</u> said that no attempt was being made to deceive the Russian Federation and that the document setting out the amendments proposed by the Russian Federation would be distributed shortly.

30. The representative of the <u>RUSSIAN FEDERATION</u> stressed that the proposed amendments had been distributed during the open-ended consultations on the draft resolution two weeks previously and had been perused by most delegations.

31. The representative of <u>EGYPT</u> considered that the flexibility shown by Pakistan over paragraph 7 augured well for consensus on the draft resolution. There was, however, no legal basis for proposed paragraph 7 bis because it was impossible to determine whether facilities were civilian or military unless safeguards were applied and it was impossible to place facilities in nuclear-weapon States under safeguards. Egypt could not support proposed paragraph 7 bis.

32. The representative of <u>PAKISTAN</u> said that the intention was to bring the nuclear power plants throughout the world that were not subject to safeguards under a verification regime, since they constituted a potential acquisition pathway for weapons-grade fissile material. Pakistan, albeit gratified that the Committee seemed reasonably disposed towards proposed paragraph 7 bis, would, in the interests of consensus, withdraw the proposed amendment until the following year.

33. The <u>CHAIR</u> invited the Committee to comment on document GC(60)/COM.5/L.10/Rev.1.

34. The representative of <u>SOUTH AFRICA</u>, supported by the representative of the <u>RUSSIAN</u> <u>FEDERATION</u>, was not in favour of the proposed amendment at the end of paragraph (c) because it did not add any value to the original text.

35. The representative of <u>INDIA</u> was in favour of the proposed addition to paragraph (c).

36. The representative of the <u>UNITED KINGDOM</u> said that the proposed addition to paragraph (c) was a clear statement of intent reflecting the broad agreement by Member States at the 2010 NPT Review Conference and the broad agreement expressed in Board statements that, as reflected in the Statute, the Agency was authorized to deliver safeguards. That authority, referred to in paragraph (l), should not be undermined in any way but respected and honoured. He was gratified that the Russian Federation had not objected to the meaning of the amendment and thus welcomed its support.

37. The United Kingdom regretted that the Russian Federation had not participated in the previous meeting and in the informal consultations, at which the proposed amendment had been extensively discussed constructively and professionally, leading to general consensus on the amendments in document GC(60)/COM.5/L.10/Rev.1.

38. The representative of <u>BRAZIL</u> commended the co-sponsors for their exemplary conduct of the negotiations on the draft resolution. Brazil would not block the consensus on the draft resolution, but it was not in favour of the insertion of wording from the Final Document of the 2010 NPT Review Conference, which had been used in a different context. Brazil acknowledged the efforts to take some of its concerns into consideration in the draft resolution.

39. The representative of <u>FRANCE</u> supported the statement by the representative of the United Kingdom. The informal discussions had been constructive and productive and the agreement reached was accurately reflected in the revised draft resolution.

40. The representative of the <u>RUSSIAN FEDERATION</u> thanked the representative of the United Kingdom for the clarifications. He considered it unfortunate that informal consultations had been chosen as the framework for discussions affecting all Member States. His delegation would study the Final Document of the 2010 NPT Review Conference before considering paragraph (c).

41. The representative of <u>ALGERIA</u> said that the proposed addition to paragraph (c) was not genuinely substantive but rather a statement of the obvious because the Agency had a clear mandate under its Statute. He understood the importance that the United Kingdom attached to the Final Document of the 2010 NPT Review Conference as reflected in the safeguards resolution.

42. The representative of <u>AUSTRALIA</u>, noting that the informal consultations had been open-ended, expressed support for the recommended addition to paragraph (c), which made a new and important statement that was not only underpinned by the NPT but also stood on its own merits.

43. The <u>CHAIR</u> said that paragraph (c) would be bracketed pending further discussion.

44. The representative of the <u>RUSSIAN FEDERATION</u> said that paragraph (g) in the revised draft resolution, while reusing some of the original wording, merely recognized that the Agency was making every effort to ensure effectiveness, which implied that the Agency might be striving but not succeeding.

45. The representative of <u>CANADA</u> said that his delegation's proposal to merge paragraphs (g) and (h) had been welcomed during informal consultations. The resulting paragraph had been further revised to incorporate concerns about impartiality raised by the representative of the Islamic Republic of Iran.

46. The representative of <u>FRANCE</u> said that participants in the informal consultations had agreed that the new wording was an improvement.

47. The representative of <u>BELARUS</u> wondered whether it was logical to refer in paragraph (t) to a cooperative effort between "the Agency and States" inasmuch as the Agency consisted of Member States.

48. The representative of <u>AUSTRALIA</u>, noting that the issue had been discussed at length, sought the opinion of the Office of Legal Affairs.

49. The <u>HEAD OF THE NON-PROLIFERATION AND POLICY-MAKING SECTION OF THE</u> <u>OFFICE OF LEGAL AFFAIRS</u> said that the wording of paragraph (t) reflected that of CSAs which were concluded between the Agency and States.

50. The representative of the <u>RUSSIAN FEDERATION</u> requested the Committee to consider proposed paragraph 8 bis, which reflected ideas already set out in the Statute and paragraph 19 of INFCIRC/153, which established the procedure followed by the Secretariat when providing information to the Board of Governors for decision-making purposes. Proposed paragraph 8 bis referred to the Safeguards Implementation Report for 2015, which had contained a statement to the effect that the Secretariat derived its conclusion on the basis of all available safeguards-relevant information.

51. The representative of <u>FRANCE</u> said that proposed paragraph 8 bis was identical to the text that had been previously distributed and discussed at great length.

52. The representative of <u>CANADA</u>, concurring, said that paragraph 8 bis had been submitted by the Russian Federation one week previously, had been discussed by a large number of delegations during informal consultations and had been deemed to add no value because the procedure for handling potential cases of non-compliance was already enshrined in Article XII.C of the Statute.

53. The representative of <u>BELARUS</u> said that proposed paragraph 8 bis focused on the information, in particular third-party and open-source information, used by the Secretariat in drawing its conclusions, while reaffirming the Secretariat's responsibility to engage in open discussion with the Board of Governors about such information, in particular in cases of non-compliance. As the latter point was not covered by the Statute, it should be included in the draft resolution.

54. The representative of <u>CUBA</u> said that the first part of paragraph 8 bis, which asserted that the information used to draw conclusions on a country's non-compliance should be credible and objective, was essential and should be included in the resolution.

55. The representative of the <u>RUSSIAN FEDERATION</u> said that the purpose of proposed paragraph 8 bis was not to question the Secretariat's authority, but rather to shed light on the procedure followed by the Secretariat in handling cases of non-compliance described in Article XII.C of the Statute and in processing incoming information thereon, inasmuch as the Secretariat used all available information to draw conclusions. The Russian Federation considered that the Secretariat should submit to the Board the actual information and not a report on that information, as required by the 60-year-old Statute. Proposed paragraph 8 bis did not contain any revolutionary ideas; it merely reflected current practice.

56. The representative of the <u>UNITED KINGDOM</u> said that it was regrettable that the representative of the Russian Federation had not participated in the informal consultations, during which its proposal had been discussed constructively at length.

57. Noting that the procedure to be followed in cases of non-compliance was already set out clearly in the Statute and that revised paragraph 8 of the draft resolution already covered the need for the information being used to be rigorously reviewed and validated, the United Kingdom considered that paragraph 8 bis added nothing. Furthermore, in view of previous statements by the Russian delegation calling the Secretariat's objectivity into question, the purpose of proposed paragraph 8 bis was not merely to reflect existing practice, but to introduce political interference into the Agency's information analysis and verification procedure, which would not improve transparency.

58. The United Kingdom had great confidence in the Secretariat's abilities and professionalism in analysing incoming information and in the procedures followed to draw conclusions and bring information to the attention of the Board. It would not, therefore, agree to the insertion of the proposed paragraph.

59. The representative of the <u>NETHERLANDS</u>, concurring, said that the proposed amendment exceeded the scope of the Statute and should not be supported.

60. The representative of <u>EGYPT</u> appealed to the Committee to consider removing certain elements from the proposed paragraph as a step forward.

61. The representative of <u>FRANCE</u>, stressing that proposed paragraph 8 bis had been discussed during informal consultations, invited the Russian Federation to consider the resulting proposal, namely the last distributed version of paragraph 8.

62. The <u>CHAIR</u> drew the attention of the representative of the Russian Federation to the addition of the phrase "and rigorously reviewed and validated information" at the end of paragraph 8, which introduced a similar notion to that contained in a part of proposed paragraph 8 bis.

63. The representative of the <u>RUSSIAN FEDERATION</u> said that a compromise could be found between his delegation's proposal and the proposed wording of paragraph 8.

64. Proposed paragraph 8 bis sought to develop an idea already contained in Article XII.C of the Statute and ensure that the Secretariat would submit the requisite information to enable the Board to take decisions in cases of non-compliance.

65. The representative of the <u>UNITED STATES OF AMERICA</u> said that his delegation had studied paragraph 8 bis carefully and had participated in extensive discussions, finding that there was no basis for consensus. While the proposed paragraph reflected existing practice, its wording insinuated great distrust of the Secretariat and sent an unfortunate signal that would be inappropriate to include in a General Conference resolution.

66. The representative of <u>SWEDEN</u> regretted that the Russian delegation had been unable to take part in the informal consultations during which delegations had discussed the wording of proposed paragraph 8 bis extensively.

67. Besides raising confidentiality problems, the proposed paragraph called the Secretariat's ability to analyse and draw conclusions into question. Sweden stressed that the issue of non-compliance was already addressed by the Statute and by paragraph 9 of the draft resolution.

68. The representative of <u>DENMARK</u> said that the proposed paragraph raised unnecessary questions about the Secretariat's impartiality and working methods. Attempts to incorporate paragraph 8 bis had produced paragraph 8 of the revised draft resolution and the version of paragraph 8 that had been circulated in the room earlier in the meeting. It was important to her delegation that the final wording cast no aspersions on the Agency or be over-prescriptive of the conduct of the Agency's work.

69. The representative of <u>AUSTRALIA</u>, noting that his delegation had tried to incorporate the paragraph elsewhere in the draft resolution, said that the resolution should not run commentary on the Statute and the Secretariat. As the process of drawing conclusions involved technical aspects, it was important to avoid political influence that could affect the objectivity of technical assessments.

70. The representative of <u>CANADA</u> said that, once the issues already highlighted had been removed from the text, there was little substance to proposed paragraph 8 bis. While he appreciated

the willingness of the representative of Egypt to strike a balance, he saw no point in working further on proposed paragraph 8 bis.

71. The representative of <u>PAKISTAN</u> said that proposed paragraph 8 bis did contain some ideas that could be discussed constructively. The paragraph stated that the Secretariat drew its conclusions on the basis of all safeguards-relevant information, which was a factual statement. The clause that followed contained an idea — that information should be thoroughly analysed and verified for consistency and credibility — which had garnered the support of many delegations. The following clause — "defending in an open meeting" — was problematic for many, but broader agreement could be found by using wording from the Statute on the issue of non-compliance. The Committee could discuss which information the Director General must submit to the Board, without compromising confidentiality, when reporting on non-compliance.

72. The representative of <u>BELGIUM</u> voiced disappointment at the repetitive and redundant nature of the discussion. The Russian delegation knew where the red lines had been drawn and understood the nuances at play, having observed the discussions of the compromise text set out in the revised paragraph 8. He called on the Committee to move forward constructively.

73. The representative of the <u>RUSSIAN FEDERATION</u> said that his delegation was willing to use the wording proposed by the co-sponsors as a starting point. In view of the objections raised to some parts of paragraph 8 bis, he proposed that it be set aside and that revised paragraph 8 be considered. His delegation supported the addition of "and rigorously reviewed and validated information" to paragraph 8 and, in a spirit of compromise, proposed that "and rigorously reviewed and validated information for consistency and credibility, in particular when such information serves as the basis for corresponding conclusions and findings with regard to indications of a State's non-compliance with its safeguards obligations with due reporting to the Board of Governors as provided for in the Statute" be inserted at the end of revised paragraph 8.

74. The <u>CHAIR</u> requested that the amendment to revised paragraph 8 proposed by the representative of the Russian Federation be distributed in writing.

75. The representative of the <u>RUSSIAN FEDERATION</u> said that the second half of proposed paragraph 8 ter had been deleted from the document compiled by the delegation of Austria showing all changes proposed to draft resolution GC(60)/COM.5/L.10/Rev.1. That part had contained important details on the MOSAIC project, namely its contribution to the consistency and credibility of all safeguards-relevant information.

76. The representatives of <u>FINLAND</u> and <u>FRANCE</u> expressed support for the wording used in the amended text circulated by the delegation of Austria.

77. The representative of <u>CANADA</u> said that, as the latter half of paragraph 8 ter had overstated the potential accomplishment of an IT platform, his delegation had supported its deletion.

78. The representative of the <u>UNITED KINGDOM</u> said that the first half of paragraph 8 ter rightly reflected the important work of the Secretariat in upgrading its information technology, but the second half did not appear to reflect the actual objectives of the upgrade and was therefore not acceptable.

79. The representative of the <u>RUSSIAN FEDERATION</u> said that it was important to include information on the rationale for the development of the MOSAIC project, which had been quite costly, and it was important for major donors to see the fruits of their investment. As an alternative to the wording of proposed paragraph 8 ter, he suggested recourse to the wording on the system's objectives used in the MOSAIC leaflet, namely better collection and evaluation of safeguards information, facilitating the development of State-level approaches, more efficient planning of and support for in-field activities, and increasing the quality of safeguards reporting.

80. The representative of <u>CANADA</u> considered that high cost was not a basis for singling out the MOSAIC project inasmuch as the Agency spent considerable amounts on several information systems.

81. The representatives of the <u>UNITED STATES OF AMERICA</u>, <u>FRANCE</u> and <u>AUSTRALIA</u> expressed support for the shorter version of paragraph 8 ter as set out in the document circulated by the Austrian delegation, as the result of lengthy informal consultations.

82. The representative of the <u>RUSSIAN FEDERATION</u>, noting that some Member States did not share the Secretariat's enthusiasm for the MOSAIC project, said that the Russian Federation would not insist on the insertion of paragraph 8 ter in full, nor could it agree to the insertion of a truncated version.

83. The representatives of <u>FRANCE</u>, the <u>UNITED KINGDOM</u> and the <u>NETHERLANDS</u> said that they required time to consider the amendment to revised paragraph 8 proposed by the Russian Federation, and to consult experts.

84. The representative of the <u>UNITED STATES OF AMERICA</u> said that the new wording added to the end of paragraph 8 was difficult to understand. The phrase "validated for consistency and credibility" seemed to repeat the idea of "independent objective conclusions" expressed earlier in the paragraph. The part beginning "in particular" was inappropriate, as it was hoped that such conclusions would be drawn in all cases, not only particular ones. Moreover, the use of the word "credibility" following "calls on" insinuated that Member States could not trust the Secretariat to perform well. His delegation could therefore see nothing to work with in the proposal.

85. The representative of <u>CANADA</u> said that his delegation preferred the text used in paragraph 8 of document GC(60)/COM.5/L.10/Rev.1, which was an outcome of cooperation between Canada and the Islamic Republic of Iran.

86. The representative of <u>SWEDEN</u> said that her delegation did not support the new wording proposed by the Russian Federation, which was hard to understand and contained some problematic notions.

87. The representative of the <u>RUSSIAN FEDERATION</u> said that it was important to provide information to the Board as a basis for decisions on a State's non-compliance with its safeguards obligations. The Russian Federation could reword the paragraph, but wished to know whether other Member States agreed to the basic principle.

88. The representative of <u>AUSTRALIA</u> said that his delegation did not agree to the changes to revised paragraph 8 proposed by the representative of the Russian Federation.

89. The representative of <u>EGYPT</u> pointed out that paragraph 28 bis proposed by the representative of the Russian Federation had been integrated into paragraph 29 as amended, and circulated by the delegation of Austria. As near consensus had been achieved, he wondered whether the Russian Federation was in favour of paragraph 29.

90. The representative of the <u>RUSSIAN FEDERATION</u> said that his delegation was willing to withdraw proposed paragraph 28 bis and to support paragraph 29 as amended.

91. He proposed that paragraph 28 ter be amended to "<u>Requests</u> the Secretariat in the course of its continued dialogue with States on safeguards matters to focus, as a matter of priority, on the issue of deriving safeguards conclusions", which was more general but still provided direction for future discussions on the Secretariat's procedures for drawing safeguards conclusions for all States.

92. The representative of <u>SOUTH AFRICA</u>, drawing on a statement made by the Director General in September 2015, proposed that "including a cost-benefit analysis of the practical implementation of

safeguards in the context of the SLC" be inserted at the end of paragraph 29 circulated by the delegation of Austria.

93. He also proposed that "to maintain and" be inserted after "<u>encourages</u> States" in paragraph 34, to reflect the wording of INFCIRC/153, paragraph 7.

94. The representative of <u>ALGERIA</u> said that his country supported the text of paragraph 29 proposed by South Africa, the change to paragraph 34 proposed by South Africa and the text of paragraph 28 ter proposed by the Russian Federation.

95. The representative of the <u>RUSSIAN FEDERATION</u> said that his country supported the text of paragraphs 29 ter and 34 proposed by South Africa.

96. The representative of <u>SOUTH AFRICA</u> said that his country supported the text of paragraph 28 ter proposed by the Russian Federation.

97. The representative of the <u>UNITED KINGDOM</u> said that the proposed text of paragraph 29 made paragraph 27 redundant.

98. He proposed editing paragraph 29 ter to read "and <u>requests</u> the Director General to report about lessons learned and experience gained in updating and implementing State-level safeguards approaches for States under integrated safeguards after SLAs have been updated for all such States". His delegation was still considering the additional text proposed by South Africa.

99. The representatives of <u>BRAZIL</u> and of the <u>UNITED STATES OF AMERICA</u> said that, as the phrasing of paragraph 29 was extremely delicate and had been agreed to with difficulty two years previously, any proposed amendments would require careful study.

100. The representative of <u>FRANCE</u> said that her country supported the amendments proposed by the United Kingdom and would agree, as a compromise, to the amendment proposed by South Africa.

101. The representatives of <u>FRANCE</u>, the <u>UNITED STATES OF AMERICA</u>, <u>CANADA</u> and <u>AUSTRALIA</u> were not in favour of proposed paragraph 28 ter because they did not consider that the Member States should micromanage the Secretariat.

102. The representative of the <u>RUSSIAN FEDERATION</u> moved that proposed paragraph 30 bis be amended to "<u>Notes</u> that any conceptual changes and improvements to the safeguards system require close coordination with Member States and should be approved by the policy bodies, as appropriate, in accordance with the IAEA Statute".

103. The representative of the <u>UNITED STATES OF AMERICA</u> said that the amendments to paragraph 30 bis proposed by the Russian Federation were complex and his delegation required time to study them.

104. The representatives of the <u>UNITED KINGDOM</u> and the <u>NETHERLANDS</u>, concurring with the representative of the United States of America, said that their States were unlikely to accept the proposed amendments.

105. The representative of <u>AUSTRALIA</u> said that his country was not in favour of the proposed amendments to paragraph 30 bis.

106. The representative of <u>CANADA</u> said that the amendments to paragraph 30 bis proposed by the Russian Federation appeared to be an attempt to reinterpret Article III.A.5 of the Statute and introduce a new role for the policy-making organs, to which his country objected.

107. The representative of the <u>RUSSIAN FEDERATION</u> said that Article V.D of the Statute was also relevant. The intention behind the proposed paragraph 30 bis was to address the safeguards system as a whole, not to suggest that the Board or the General Conference should meddle in the Secretariat's and Member States' implementation of safeguards agreements.

108. The representative of <u>FRANCE</u> said that the proposal was an attempt to meddle in long-standing Agency practice and was unacceptable.

109. The representative of the <u>UNITED STATES OF AMERICA</u> said that it was not true that any conceptual changes and improvements to the safeguards system must be submitted to any of the Agency's policy-making organs. The Board of Governors had authorized the Director General to implement safeguards agreements, and the implementation of safeguards, including the approval of changes to safeguards agreements and additional protocols, was the responsibility specifically of the Board of Governors.

110. The representative of the <u>RUSSIAN FEDERATION</u> said that the General Conference did play a role in safeguards, for instance by adopting safeguards resolutions which defined the framework within which the Agency's safeguards activities were conducted. He conceded that "conceptual" might not be the right word and requested the delegation of the United States of America to suggest an alternative.

111. The representative of <u>BRAZIL</u> said that the meaning of "safeguards system" raised contextually complex issues that required clarification.

112. The representative of <u>BELARUS</u> said that his country supported paragraph 30 bis last proposed by the Russian Federation, to which minor editorial changes might be required.

113. The representative of <u>AUSTRIA</u> said that further discussion by the Committee was required before she and her colleagues could produce a new draft.

114. The representative of the <u>RUSSIAN FEDERATION</u> said that, to avoid "optimizing", which implied a diminution of effort, the Russian Federation proposed that the last phrase in paragraph 30 be replaced by "with a view to implement safeguards accordingly".

115. The representative of <u>SWITZERLAND</u>, supported by the representative of <u>FINLAND</u>, said that "optimizing" was required in English in order to preserve the intended meaning, for the Secretariat must strive to implement safeguards in a manner beneficial both to the Member States and to the Secretariat. The translation into Russian could be addressed at a later date.

116. The representative of the <u>RUSSIAN FEDERATION</u> said that in context the word "optimizing" referred to safeguards implementation economics and procedures in specific countries. The Russian Federation wished to avoid the impression that the Secretariat was being authorized to narrow the scope of its verification activities in specific cases on cost considerations. The rationale behind the wording proposed by his country was that safeguards must be implemented precisely as indicated earlier in paragraph 30.

117. The representative of <u>SWITZERLAND</u> pointed out that the notion of optimization was not new and referred to "optimum and most economical use of available inspection resources" in INFCIRC/153, paragraph 78.

118. The representative of the <u>RUSSIAN FEDERATION</u> called on the co-sponsors to give reasons for drafting paragraphs (g) and (h) separately and for using "continuing to have confidence in" to introduce paragraph (h).

119. The representative of the <u>UNITED STATES OF AMERICA</u> said that his country had proposed that paragraph (h) be so worded because the Islamic Republic of Iran had called for a reference to the impartiality of safeguards implementation by the Agency.

120. The representative of the <u>RUSSIAN FEDERATION</u> suggested that "impartiality" be inserted into paragraph (g).

121. The representative of the <u>UNITED STATES OF AMERICA</u> said that the idea behind paragraph (h) required that it be a separate paragraph.

122. The representative of <u>BRAZIL</u> proposed that the second part of proposed paragraph 29 ter be replaced by "<u>requests</u> the Director General to report about lessons learned and experience gained in updating State-level approaches for States under integrated safeguards after SLAs have been updated for such States, including on the cost-benefit analysis of the practical implementation of safeguards in this context", which would be consistent with the first part of the paragraph and avoid the term "State-level concept".

123. The representative of <u>CANADA</u> called for "implementing", excised from the amendment proposed by the representative of Brazil, to be retained because the Secretariat required time to update and implement State-level approaches before reporting.

The meeting rose at 10.45 p.m.