



International Atomic Energy Agency

General Conference

GC(XIII)/OR.133

27 January 1970

GENERAL Distr.

ENGLISH

RECORDS OF THE THIRTEENTH REGULAR SESSION (23 - 29 SEPTEMBER 1969)

ONE HUNDRED AND THIRTY-THIRD PLENARY MEETING

Held at the Neue Hofburg, Vienna,
on Monday, 29 September 1969, at 10.40 a.m.

President: Mr. TORKI (Tunisia)

CONTENTS

<i>Item of the agenda*</i>		<i>Paragraphs</i>
9	General debate and report of the Board of Governors for 1968-69 (continued)	1—42
	Statements by the delegates of:	
	Indonesia	1— 8
	Pakistan	9—23
	Italy	24—38
	Ghana	39—42
	Credentials of delegates to the thirteenth regular session	
	(b) Report of the Credentials Committee	43—58
20	Appointment of the Director General	59—77
11	Opening date of the fourteenth (1970) regular session	78—79
21	The Agency's annual reports to United Nations organs	80—83
22	Appointment of the External Auditor	84—87
23	Elections to the Agency's Staff Pension Committee	88—90
13	The Agency's budget for 1970	91—95
14	Scale of Members' contributions for 1970	96—97
15	The Agency's responsibility to provide services in connection with nuclear explosions for peaceful purposes	98—99

* GC(XIII)/418.

GENERAL DEBATE AND REPORT OF THE
BOARD OF GOVERNORS FOR 1968-69
(GC(XIII)/404, 416) (continued)

1. Mr. SUDARSONO (Indonesia) regretted the steady decline in the funds available to the Agency for the provision of technical assistance, which was certainly its most important activity from the point of view of developing countries. He pointed out that for 1968 and 1969 Indonesia had pledged voluntary contributions to the General Fund in amounts which were the same percentage of the target for each year as its percentage assessments under the Regular Budget, and it would do so again for 1970. It was gratifying that certain advanced countries had offered to arrange for the provision of additional resources for technical assistance or were seriously considering doing so, and he hoped others would follow their example.

2. He was pleased to note that several items on the Conference agenda related to matters which had been the subject of resolutions adopted by the Conference of Non-Nuclear-Weapon States¹⁾. He welcomed the report submitted to the Secretary-General of the United Nations by a group of experts on all possible contributions of nuclear technology to the economic and scientific advancement of the developing countries²⁾, which was an extremely valuable document.

3. His delegation was concerned at the very rapid increase in the cost of safeguards activities, since it was detrimental to other activities which were of more direct benefit to developing countries. Safeguards activities and the International Nuclear Information System (INIS) served a very useful purpose, but the proposed increase in expenditure on them was excessive and should be more gradual.

4. In providing services relating to the use of nuclear explosives for peaceful purposes, the Agency could play a very valuable role; there should be no discrimination against any State and, if possible, non-nuclear-weapon States should not be required to pay the cost of research and development.

5. The developing countries were justifiably concerned at the difficulty of financing nuclear power projects, which were becoming increasingly important in their economic development, and steps should be taken to ensure that such countries were not prevented from benefiting from nuclear power through lack of funds.

6. He noted with satisfaction that nuclear Powers were making special fissionable materials available to Member States and was particularly grateful to

the United States of America for its provision of such materials to his country.

7. The review of Article VI of the Statute had taken up a long time and had not yet been completed, but it had been generally agreed that there should be a modest increase in the membership of the Board of Governors. When the future composition of the Board came to be determined, he hoped account would be taken of the desire of the developing countries to be more equitably represented and play a more effective part in its deliberations.

8. He welcomed the Agency's efforts to promote regional co-operation. His country was carrying out a programme of co-operation in many fields, including scientific research and education, and he suggested that in the case of research contracts undertaken on behalf of the Agency within the area to which Indonesia belonged, the participation of research scientists from various countries in that area would be very helpful.

9. Mr. USMANI (Pakistan) said his delegation welcomed the unanimous appointment by the Board of Dr. Eklund as Director General of the Agency for a third term. Although in principle no more than two consecutive terms should be given to any elected office holder at the highest level in international organizations, exceptions must be made in the case of exceptional men. Dr. Eklund could rely on his delegation's support just as it hoped to be able to rely on his impartiality, experience and sympathetic approach to the problems of developing countries.

10. During the last 15 years tremendous progress had been made in the application of nuclear science and technology in the fields of power generation, industry, agriculture, medicine and the development of natural resources. In its report to the Secretary-General on the contributions of nuclear technology to the economic and scientific advancement of the developing countries the group of experts had emphasized the importance of the role of energy and had concluded that "the most notable peaceful application of nuclear technology is the generation of electric power"³⁾. Within the following decade the operation and maintenance of proven types of power reactors would present problems no different from those of conventional power plants; and yet the "third world" would play little part in that development. Of a total of about 300 nuclear power plants in operation, under construction or firmly planned at the present time, only 10, having less than 2% of the total capacity, were located in six developing countries.

11. He deeply regretted that the Agency had somewhat disappointed the developing countries by failing

1) See United Nations document A/7277.

2) See United Nations document A/7568.

3) *Ibid.*, para. 49.

to help them introduce nuclear power as a spur to their overall programme of economic development. Year after year the Conference had heard about the inability of the Agency to persuade the International Bank for Reconstruction and Development to provide money for small or medium-sized power reactors on the grounds that they were "uneconomic". But that term was surely a relative one. There was no coal, oil or hydro potential in East Pakistan, where the price of coal was \$20 per ton compared with \$6 in the United States of America and about \$13 in Western Europe. Furthermore, the very organizations which refused to consider the financing of nuclear plants in developing countries because they were "uneconomic" agreed to finance small industrial plants in those countries even though their output could never compete with that of plants of large industrial corporations. In fact hardly any industrial plant financed in a developing country could be termed truly competitive in output and prices when compared with plants in advanced countries. It seemed anomalous that the yardstick for financial assistance for nuclear power plants should be different from that adopted for industrial installations. In any event, the advanced countries had started with small power reactors of less than 100 MW capacity and gradually developed the bigger ones of up to 800-1000 MW capacity.

12. It would be interesting to know whether the financing agencies would agree to provide loans for nuclear power projects if the effective difference between the cost of nuclear and conventional plant were to be met out of a "special nuclear fund" which the Agency might help to raise. If that were the case, the proportion of the cost which would be required of such a fund to help finance 300 MW of nuclear power every year in developing countries in the decade 1970-80 would be modest. His delegation hoped to invite the attention of the Board to such possibilities at the appropriate time. The Agency's competence to provide services in connection with the production of power for developed and developing countries alike was clearly outlined in Articles III.A.1 and 2 of its Statute, and he believed there were other articles which would allow the Agency to receive voluntary contributions, generate revenues and even raise loans, all of which could contribute to form the "special nuclear fund" he had referred to earlier.

13. The Agency should seriously contemplate acting as broker for fissionable material and nuclear fuel. If the nuclear Powers were to help the Agency by releasing those materials at specially reduced prices, Member States would use the Agency as an intermediary, with the result that Agency safeguards would automatically apply to the nuclear material involved. Two purposes would thus be served: by entering the fuel brokerage business, the Agency would earn revenue, and it would at the same time

be in a position to safeguard the nuclear material involved.

14. In consonance with its policy of supporting the universal application of the Agency's safeguards system, his Government had decided to place its first power reactor KANUPP (137 MW), nearing completion at Karachi, under the system. The Board would have before it for approval a draft trilateral agreement between Pakistan, Canada and the Agency at its first meeting after the General Conference. He urged the developing Member States to have their nuclear facilities and supplies secured under project agreements with the Agency rather than under bilateral agreements. At the same time he appealed to the Agency to simplify the safeguards system without sacrificing its effectiveness.

15. It was estimated that inspection of all the nuclear reactors that would be used for peaceful purposes in the 1970s would cost about \$20 to \$30 million per year, or roughly twice the present budget of the Agency. He wondered where the funds would come from and hoped the non-nuclear nations would not be asked to contribute to the cost of safeguards.

16. Of the three important roles which the Agency played, one was connected with the enforcement of safeguards, standardization of nuclides, framing of criteria for health and safety, etc. The second was the dissemination of scientific knowledge and information through the work at its centres and laboratories and through the scientific seminars and symposia. The third was the technical assistance which the Agency provided to developing countries. In the first two of its roles, the Agency had acquitted itself extremely well, except that 80% of the symposia and seminars continued to be held in Europe. If that practice were to continue, his delegation hoped the Director General would consider providing more generous travel grants to scientists who had to travel long distances.

17. It was, however, a matter of deep concern that on average the total technical assistance provided by the Agency per year during the last decade had been of the order of \$1.7 million, spread over more than 75 developing countries. If technical assistance were to have a real impact, funds proportionate to those expended on safeguards would be required.

18. The award of the Atoms for Peace Prize jointly to the Director of the International Centre for Theoretical Physics at Trieste, the Director General and Professor Smyth was a rare tribute to the foresight of the Agency and the Government of Italy in establishing that Centre, at which scientists were able to meet and derive the necessary inspiration and stimulation.

19. His delegation welcomed the general consensus among Member States that the membership of the Board should be enlarged and that Article VI of the Agency's Statute should be amended. He hoped that his country's proposal on the subject⁴⁾, which embodied the principle of reducing the permanent seats to the minimum and subjecting others to election by the General Conference, would be taken into account, and that by the following year the developing countries of Africa, Latin America and above all of Asia would be more equitably represented on the Board.

20. Of the four nuclear Power belonging to the Agency only the United Kingdom had ratified NPT. France had not so far indicated any desire to sign it and ratification by the Soviet Union and the United States of America was still awaited. Ninety per cent of the non-nuclear countries were in the category of "Never be"s and 10 per cent in the category of "Can be"s, and the testing of so-called peaceful devices by "Can be"s should be prevented at all cost. He therefore appealed to nuclear and non-nuclear Powers alike to forestall that development by ratifying NPT forthwith.

21. The non-nuclear Asian countries would do well to follow the example of the Latin American countries and work for a nuclear-free zone in their area.

22. Finally, the Soviet Union and the United States of America should start negotiations for arresting the vertical proliferation of nuclear weapons in the spirit of Article VI of NPT.

23. Since the discovery of atomic energy a new generation of scientists and technologists had emerged with new approaches to problems of atomic energy. Given the chance, the younger men would surely take imaginative steps to promote international relations and to solve the crucial problems now facing the Agency. He hoped the Director General would contemplate the possibility of injecting "new blood" into the Secretariat since the dynamism of younger men would certainly help the Agency to implement its current programme and face the challenge of the next decade.

24. Mr. PEDINI (Italy) said that the exploitation of the new source of energy, nuclear energy, represented without doubt one of humanity's most significant steps towards the goal of universal well-being and lasting peace.

25. It was encouraging to see an awareness of the importance of international collaboration in the sphere of peaceful applications of nuclear energy; within the framework of international policy, that awareness was increasingly essential. It was in concrete co-

operation between advanced and developing countries in the nuclear field that the surest proof of the political will of the industrialized countries to contribute effectively to the economic development of the less-developed countries would be found.

26. The Italian Government was happy to see that the Agency had carried out its activities in accordance with the directives laid down by the General Conference at previous sessions, in particular the twelfth session, by orienting its practical work towards the fields of major and priority interest to the less-developed countries, since those fields were directly related to the improvement of the standard of living.

27. It had particularly appreciated the Agency's activities in the training of specialists in the use of agricultural, medical, biological and food techniques. Italy had co-operated extensively in that work by organizing seminars and courses on the use of radiation for crop improvement.

28. In addition to its contribution to the Agency's Regular Budget, which amounted to almost 3%, and to its voluntary contributions to the technical assistance programmes, Italy had continued to offer fellowships to research workers and students from less-developed countries. Mention should also be made of the satisfactory development of the International Centre for Theoretical Physics at Trieste, particularly in the wake of the agreement concluded between the Agency and UNESCO⁵⁾. One hundred and eighty-seven scientists, 78 of them from developing countries, had taken part the year before in an international congress on theoretical physics held at the Centre, which had been striking proof of the part that the Centre was playing as a meeting point for men of science from all over the world.

29. Among the Agency's activities there was one programme for which his country reaffirmed its full support, namely INIS, which would be all the more successful in that it was to be set up and run in close collaboration with Member States, among other reasons because of the high cost involved. Italy would therefore welcome the conclusion of a co-operation agreement between the Agency and the European Atomic Energy Community (EURATOM) under which INIS could be developed in such a way that all interested parties stood to benefit from the expertise gained by EURATOM in the field of nuclear information.

30. During 1968/69 Italy had continued to step up its national programme for the use of atomic energy and development of nuclear techniques. According to available figures, Italy occupied third place in the world in terms of the amount of nuclear

4) GOV/1324.

5) INFCIRC/132.

electrical power generated by 31 March 1969. The construction of the prototype of a heavy-water reactor, a fast reactor for fuel element tests, and a nuclear-powered ship was now well under way. The Italian Government believed that the time was now ripe to give priority to the building of a European facility for uranium isotope separation.

31. Notwithstanding the valuable contribution which the Agency had made and was still making to international co-operation in the peaceful utilization of nuclear energy, what had been done so far was still not enough to ensure that the new technologies were of real help in the economic development of all countries, in particular the less favoured ones.

32. His Government had already expressed its views on that subject at the Conference of Non-Nuclear-Weapon States and also on the occasion of the twenty-third session of the General Assembly of the United Nations.

33. The problem of industrial development in the "third world" was a very far-reaching one. It was certain that further progress in industrial and agricultural production, and in public health, depended to a large extent on the peaceful applications of the new source of energy. The organization filling the main role in respect of international co-operation in that field must be so structured that its organs were capable of dealing with the important tasks they would encounter. That applied especially to the Board of Governors.

34. One year previously Italy and other Member States had broached the subject of a change in the composition of the Board. A resolution had been adopted at the twelfth session of the General Conference⁶⁾. There was now no doubt that a large number of Members recognized the need to adapt the Agency's executive body to the new circumstances prevailing in the world. The Italian Government had spared no effort in trying to make a constructive contribution towards the solution of that vital and urgent problem. In December 1968, it had submitted a proposal⁷⁾ which it regarded as a sound basis for discussion. After the setting up of an ad hoc committee in which all Member States could participate — thereby ensuring an open and fruitful discussion of the various aspects of the problem — additional proposals for amending Article VI of the Statute had been submitted by other States. His Government, appreciating the value of some of the suggestions, had modified its original proposal⁸⁾.

6) GC(XII)/RES/241.

7) GOV/1307.

8) The modified proposal is reproduced in document GOV/COM.20/10.

35. It had tried to take into account the justifiable interests of all groups of countries, endeavouring for one thing to ensure a more equitable geographical distribution in the Board's composition. The Board would continue to be an efficient organ even if its membership was increased. Clubs with restricted membership were not necessarily the best, since they often tended to degenerate into sterility.

36. He thanked those delegates who had clearly stated that their Governments supported the Italian proposal, or that they regarded it as the best basis of discussion. His Government did not presume to think that its proposal was perfect or that it satisfied the legitimate desires of all countries. Nevertheless, it believed that the solution it had proposed — a practical and realistic one — would be the most likely to ensure that the Agency could perform the new and important duties which might be entrusted to it.

37. The discussion on the subject which had taken place in the Board and in the ad hoc committee during the last six months had served to clear the ground of a number of problems which really were not problems at all and to reveal the existence of various points of agreement. The time had now arrived to proceed to the final stage in the discussion of the subject.

38. His Government wished to stress the special importance it attached to finding an early solution to the problem posed by the composition of the Board. It considered it essential to reach a rapid agreement because it was convinced that that was in the interests of the Agency and of all its Members. It was indeed clear that if the Agency was to assume certain new functions, there should be no delay in making the changes in its structure which would enable it to do so. Excessive delays could only increase the uneasiness which was beginning to appear and which everybody hoped would quickly be dispelled.

39. Mr. QUARTEY (Ghana), recalling that the Director General had pointed out in his opening statement that the process of self-examination to which some United Nations organizations had recently been subjected could be carried too far⁹⁾, said that if that happened, it would make it more difficult for the Agency to fulfil its obligations and benefit from such self-examination. Member States, and even some States that were not Members of the Agency, were keenly interested in the review of Article VI of the Statute. That was understandable since the non-nuclear-weapon States were called upon to surrender part of their sovereignty voluntarily, and that in turn had given rise to a legitimate desire

9) GC(XIII)/OR.127, para. 46.

on the part of many developing countries to be more equitably represented in the Board so as to play their proper role in the formulation of the Agency's policy. His delegation was convinced that if the review of Article VI was carried out properly, the Agency would subsequently be able to perform its functions more effectively.

40. The availability of adequate funds for the provision of technical assistance was of the greatest importance to developing countries, and Ghana was grateful for the assistance it continued to receive from the Agency. In response to the Director General's appeal for increased voluntary contributions to the General Fund, Ghana had increased its contribution for 1969 to a percentage of the target for that year which was substantially higher than its assessed ratio under the Regular Budget, and it would make a contribution at the same level for 1970. He hoped all Member States, particularly the more advanced countries, would do likewise since the total number of voluntary contributions was still very low.

41. In making requests for technical assistance account should be taken of the resources available to the Agency, and it would be in the interest of Member States if the possibility of financing the more capital-intensive projects was explored with other appropriate international institutions.

42. In conclusion, he approved the reappointment of the Director General and assured the Agency that it could count on Ghana's continued support.

CREDENTIALS OF DELEGATES TO THE THIRTEENTH REGULAR SESSION

(b) REPORT OF THE CREDENTIALS COMMITTEE (GC(XIII)/426)

43. The PRESIDENT announced that the Credentials Committee had examined the credentials of delegates in accordance with Rule 28 of the Rules of Procedure; its report, containing two draft resolutions, was to be found in document GC(XIII)/426.

44. Mr. PELE (Romania) said he regretted having to repeat at the current session the views his delegation had been expressing since the Agency's inception on the need to apply the principle of universality in the Agency.

45. The persistent refusal to give the People's Republic of China its rightful place within the Agency was not only unjust, but was contrary to the principle of universality. His delegation was in favour of recognizing the rights of the People's Republic of China and of admitting the representatives of its Government as the sole legitimate representatives of China; it was against the Credentials Com-

mittee's proposal to recognize the credentials of the Chiang Kai-shek group, which represented no one.

46. The Romanian Government recognized the representatives of the Provisional Revolutionary Government of South Viet-Nam as being the sole representatives of the Government of South Viet-Nam and could only accept credentials issued by that Government.

47. His delegation reaffirmed the need for the participation of the German Democratic Republic, the Democratic People's Republic of Korea and the Democratic Republic of Viet-Nam in the work of the Agency.

48. His delegation was convinced that if the principle of universality was implemented in conformity with its views, the prestige of the Agency and its effectiveness would be enhanced.

49. Mr. QADIR (Pakistan) said that his Government did not recognize the credentials presented by those who styled themselves as the representatives of China in the Agency and the General Conference. It maintained that the Government of the People's Republic of China was the only authority entitled to represent the Chinese people in the United Nations and elsewhere in the world.

50. Mr. CHU (Republic of China) said he wished to protest against the derogatory remarks made about the representation of his country at the Conference. Such remarks only served to disturb the harmonious atmosphere and were irrelevant to the objectives of the Conference. His Government was the only legally constituted Government of China, recognized by the majority of sovereign States of the world and by the United Nations and its specialized agencies and the Agency. In that capacity, it had been formally invited to participate in the Conference as a full Member of the Agency.

51. The credentials of his delegation had been found in good order and had been accepted by the Credentials Committee; they were not open to any form of challenge. Consequently, there were no grounds whatsoever for questioning the rights of his delegation to represent China at the Conference. Any statement or reservation denying recognition of those established rights and facts must be considered out of place and out of order.

52. Mr. ARKADIEV (Union of Soviet Socialist Republics) said his delegation had frequently drawn attention to the loss caused to the Agency by not allowing the German Democratic Republic to become a Member because of the opposition of a number of countries.

53. The German Democratic Republic was not only advanced in the peaceful uses of atomic energy and in the industrial, scientific and cultural fields, but was a signatory of the Partial Test Ban Treaty and NPT and was willing to place all its nuclear facilities under the Agency's safeguards. Moreover, its parliament had recently ratified NPT. Continued deprivation of its right to membership would only impede the implementation of the Agency's aims and the tasks it was to assume under NPT.

54. The policy of denying the German Democratic Republic its right to membership was all the more anomalous in view of the fact that, since the last session of the General Conference, a number of African States had established diplomatic relations with it. The Federal Republic of Germany was a Member of the Agency and had been represented on the Board of Governors, which also went to prove that the policy was arbitrary and unjust. The time had come to remove the anomaly, the arbitrariness and the injustice.

55. Mr. LEWIS (United States of America) said his delegation supported the adoption of the draft resolutions recommended by the Credentials Committee. The remarks which had been made concerning East Germany were irrelevant to the matter under consideration and he did not therefore intend to comment on them. His Government's position on the subject was in any case well known.

56. Mr. PHAN-VAN-THINH (Viet-Nam) said he had been saddened to hear once more remarks of a political nature which had nothing to do with the Conference or with the aims of the Agency.

57. He did not intend to answer what had been said about his country. All were aware that his country had been accepted as a Member of the Agency many years previously and had been represented on the Board of Governors in 1961-1963. It had a long history of co-operation with the Agency and had been represented at all sessions of the General Conference and at all Agency meetings held in the region in which it was situated. It was also a Member of the United Nations and all the specialized agencies. Its rights could not be contested.

58. *The draft resolutions in document GC(XIII)/426 were adopted.*

APPOINTMENT OF THE DIRECTOR GENERAL (GC(XIII)/402)

59. The PRESIDENT recalled that in June the Board of Governors had appointed Mr. Sigvard Eklund to the post of Director General for a further term of four years to run from 1 December 1969. There was a request by the Board for approval of

the appointment in document GC(XIII)/402, which contained a draft resolution that the Board was recommending the Conference to adopt.

60. *The draft resolution in document GC(XIII)/402 was adopted by acclamation. At the invitation of the President, Mr. Eklund entered the meeting.*

61. The PRESIDENT informed Mr. Eklund that the General Conference had approved his appointment. He was pleased to be the first to congratulate him and invited him to take the oath of office prescribed by the Agency's Staff Regulations¹⁰.

62. Mr. EKLUND took the following oath:

"I solemnly swear to exercise in all loyalty, discretion and conscience the functions entrusted to me as Director General of the International Atomic Energy Agency, to discharge these functions and to regulate my conduct with the interests of the Agency only in view, and not to seek or accept instructions in regard to the performance of my duties from any government or other authority external to the Agency."

63. He said he wished to take the opportunity to say how very grateful he was for the expression of support implied in his reappointment as Director General of the Agency and for the many kind references to his service made by delegates in the course of the general debate. He looked back on the past eight years not with complacency but with a sense of gratitude that he had been given the task of guiding the Agency towards the fulfilment of its goals. International organizations often served as a barometer of the world's political weather. His service with the Agency had begun at a time of considerable international tension. Although many problems still remained to be solved, the general climate of understanding among nations had vastly improved and the Agency was accordingly able to carry out its duties more efficiently.

64. He was grateful, too, for the good relations which prevailed between the Secretariat and the representatives of Member States. The spirit of understanding had been enhanced by his visits to Member States, where he had acquainted himself with atomic energy programmes and with the special problems they raised in each country. He had thus been able to see how the Agency's assistance could be employed most profitably, and to appreciate clearly the difficulties encountered by the Agency in rendering essential assistance. He had also come to see that the Agency's resources, though small, nevertheless made a valuable contribution to the implementation of national programmes.

10) INFCIRC/6/Rev.2, Regulations 1.11 and 1.12.

65. It must be recognized that there were some frustrations involved in working for an international organization. The Agency was formally the employer, but in reality each Member State exercised certain functions which normally, in a national organization, were the sole prerogative of the employer. The conventional line of authority was consequently broken up by dialogues between staff members and the delegations of their home countries. On the other hand, the views and ideas given to the Secretariat through such informal channels had often provided valuable guidance.

66. There were still, at the present session of the Conference, some delegates who had participated in the work of the Conference on the Statute. He felt sure they would agree that the principal motive underlying the establishment of the Agency had been a conviction among leading statesmen and responsible scientists that mankind, having acquired in atomic energy a source of energy far more powerful than anything known before, must take steps to promote its peaceful application and to present its use for military purposes.

67. Events since 1957 had demonstrated the rightness of the founders' belief in the potential of the new energy source. The explosive power of nuclear weapons had increased by a factor of one thousand. The great public concern caused by nuclear tests and the resulting contamination of the atmosphere had undoubtedly hastened the conclusion of the Partial Test Ban Treaty in 1963. Simultaneously, the use of atomic energy for power production had developed rapidly, presenting problems — in connection for example, with legal liability, transport of fuel and safe operation of reactors — which only an international organization could solve.

68. Power reactors were now being built at such a rate that by 1980 they would produce some 300 000 MW(e) as compared with 10 000 MW(e) in 1968; that meant that in future fissile materials would be available in large quantity to a number of countries which had no access to them now. Unless adequate safeguards were applied, those materials could be used for military purposes. That was why he considered the Agency's role in safeguards to be of the utmost importance for the future. It was a role which would be further enhanced by the control functions which the Agency was to assume under NPT. Thus, at the risk of repetitiveness, he thought it difficult to over-emphasize his conviction that the Agency's greatest challenge during the next four years would lie in performing its function under NPT, namely the operation of a safeguards inspection system acceptable to all; obviously it would be necessary to gain the confidence of Governments — to convince them that their vital national and commercial interests were being protected.

69. During the general debate the Conference had heard many references to the cost of the safeguards programme and its effects on other activities of the Agency. The goal of ensuring peace through NPT would inevitably require financial outlays, but since the blessings of peace were universal the cost of safeguards was something which all Member States, whether nuclear or not, should be happy to share.

70. Some of the Agency's Members had so far been reluctant to sign and ratify NPT, for reasons which commanded respect. It was to be hoped that the obstacles which prevented them from doing so could soon be overcome. It would be a matter of great concern, however, if any Member of the Agency were to oppose NPT actively, thereby disavowing the most cherished objectives of the organization to which it belonged.

71. The Agency's safeguards system undoubtedly had imperfections and could, in time, be improved. Fundamental questions related to safeguards should be discussed among Member States in the widest possible forum so as to ensure that the agreements which the Agency would eventually have to conclude with individual Member or groups of Members under NPT would be acceptable to the greatest possible number of Members.

72. He was in fact very worried by the failure of the Agency's safeguards system and NPT to gain wider political acceptance. The Agency was now safeguarding 70 reactors in 30 countries, two of which were nuclear-weapon States. All Member States in Latin America, South East Asia and the Far East which possessed reactors had submitted them to the Agency's safeguards. In Europe, on the other hand, the proportion of States which had placed their nuclear facilities under the Agency's safeguards had been much smaller, a fact which worried him in relation to NPT. Nor were matters improved by the failure of two of the Treaty's main sponsors to ratify it - a failure which was unlikely to reassure other States that were still hesitant about signing and ratifying it; the reluctance of the latter to do so might well have been increased by the underground tests carried out during the period in which the Treaty had been open for signature and ratification.

73. What alternatives were there to NPT? Unless a more acceptable scheme could be devised, one could only envisage the further spread of nuclear weapons. The consequences of that situation had been well described in a report submitted to the General Assembly of the United Nations in 1967, entitled "Effects of the possible use of nuclear weapons and the security and economic implications for States of the acquisition and further development of these weapons"¹¹), in the preparation of which

11) United Nations document A/6858.

members of the Agency's Board and of its Scientific Advisory Committee had taken part. That report, unfortunately, seemed to have been all but forgotten; but it should be recalled by all who were interested in the problems which NPT was intended to solve.

74. The role the Agency would have under NPT had refocused attention on the question of whether the composition of the Board should be changed. As he had indicated in 1965, it was desirable that an organization such as the Agency should consider amending its statute from time to time to reflect the changes which occurred in the world¹². Speakers in the general debate had pointed out that great care should be taken in amending Article VI of the Statute to ensure that the changes made would not impair, but rather contribute to, the Agency's efficiency. That, and not the time required to obtain a wide measure of agreement, should, he would suggest, be the overriding consideration; delays resulting from obstruction would, of course, be unjustifiable. He wished, in particular, to point out that no satisfactory solution to what was admittedly a difficult problem could be found unless Member States made a sincere effort, in a spirit of mutual trust and unselfishness, to formulate an amendment that was acceptable to at least two thirds of them.

75. The General Conference met annually, as required by the Statute, and under present circumstances he thought it highly desirable that Member States should continue to have the opportunity of discussing each year the complex questions facing the Agency, particularly in view of the likely entry into force of NPT. The General Conference had only once met outside Vienna - in Tokyo in 1965. He felt, however, that it would be advantageous if a session could be held from time to time in a country other than Austria, and more particularly outside of Europe. If, as was the case in 1965, the host country bore the resulting extra expenditure (on the transport of the necessary staff, for example) the only other financial consideration would be a redistribution of the travel costs of delegations. The political advantages of having occasional sessions away from Headquarters were too obvious to need any comment.

76. When the application of nuclear technology in a particular discipline became routine, the activities within the Agency in respect of that application could be reduced or terminated. The resources in manpower and equipment thereby released could be used to initiate similar activities in the developing countries.

77. In conclusion, he assured the Conference that it was his intention to work closely with the authorities of Member States, as he had tried to do in

¹²) See document GC(IX)/OR.98, para. 16.

the past. The purpose of an international organization — that of giving service to Member States, severally and collectively — could be achieved only by a continual dialogue between the organization's Secretariat and the representatives of its Members. The confidence placed in him and the responsibilities entrusted to him through his reappointment would lead him to renew his dedication to the service of the Agency, for only in that way could he adequately repay the trust of Member States.

OPENING DATE OF THE FOURTEENTH (1970) REGULAR SESSION

78. The PRESIDENT informed the Conference that the General Committee had authorized him to put forward its recommendation that the opening date of the fourteenth regular session should be Tuesday, 22 September 1970.

79. *The recommendation of the General Committee was accepted.*

THE AGENCY'S ANNUAL REPORTS TO UNITED NATIONS ORGANS (GC(XIII)/403)

80. The PRESIDENT drew attention to draft resolution A in document GC(XIII)/403, concerning the Agency's report to the General Assembly of the United Nations for 1968-69. As it was couched in exactly the same terms as similar resolutions adopted by the Conference in the past, he suggested that it would be acceptable.

81. *The draft resolution was adopted.*

82. The PRESIDENT invited the Conference to consider draft resolution B in document GC(XIII)/403, concerning the Agency's report to the Economic and Social Council of the United Nations for 1969-70. Since that resolution, too, was analogous to past resolutions concerning the Agency's reports to the Economic and Social Council, he assumed that the Conference would wish to adopt it.

83. *The draft resolution was adopted.*

APPOINTMENT OF THE EXTERNAL AUDITOR

84. The PRESIDENT reminded the Conference that the present External Auditor, who was Auditor General of the Czechoslovak Socialist Republic, had been appointed by the Conference to audit the Agency's accounts for the years 1968 and 1969¹³. It was accordingly necessary for the Conference to appoint an External Auditor to audit the Agency's accounts for subsequent years.

¹³) See the booklet GC(XI)/Resolutions (1967), Other Decisions, decision number GC(XI)/DEC/9.

85. He had been informed that the Auditor General of the Czechoslovak Socialist Republic was willing to continue to serve as the Agency's External Auditor, and also that the Czechoslovak Government was willing to make him available for that task. He proposed, therefore, that the Auditor General of the Czechoslovak Socialist Republic should be appointed to audit the Agency's accounts for the years 1970 and 1971.

86. *The President's proposal was accepted.*

87. The PRESIDENT said he was sure the Conference would wish him to convey its gratitude to the External Auditor for the capable and thorough work which he and his staff had done and were doing in auditing the Agency's accounts for the previous two years, and its appreciation of his willingness to continue to serve the Agency. Thanks were due likewise to the Government of the Czechoslovak Socialist Republic for continuing to place its Auditor General at the disposal of the Agency.

ELECTIONS TO THE AGENCY'S STAFF PENSION COMMITTEE

88. The PRESIDENT recalled that the Agency's Staff Pension Committee included two members and two alternates elected by the Conference. The members were at present Mr. Bittencourt of Brazil and Mr. Nejedlý of the Czechoslovak Socialist Republic, the alternates Mr. Butler of Australia and Mr. Pahr of Austria. However, Mr. Butler had left Vienna and was therefore no longer available to serve on the Committee. To replace him as alternate member, he (the President) suggested Mr. Tachibana of Japan.

89. *Mr. Tachibana (Japan) was elected an alternate member of the Agency's Staff Pension Committee.*

90. The PRESIDENT thanked Mr. Tachibana for undertaking to serve on the Committee. He also took the opportunity to express the Conference's gratitude to the members and the other alternate member who were giving of their time to serve on the Committee - particularly Mr. Bittencourt, who had acted most ably as its Chairman for nearly four years.

THE AGENCY'S BUDGET FOR 1970 (GC(XIII)/423)

91. Mr. NEJEDLÝ (Czechoslovakia), Rapporteur of the Programme, Technical and Budget Committee, introduced the Committee's report on the Agency's budget for 1970 (GC(XIII)/423).

92. *The draft resolution in Annex I to document GC(XIII)/423 (Regular Budget appropriations for 1970) was adopted.*

93. *The draft resolution in Annex II to that document (Operational Budget allocations for 1970) was adopted.*

94. *The draft resolution in Annex III (Use of the Working Capital Fund in 1970) was adopted.*

95. *The draft resolution in Annex IV (Financing of Nuclear Projects) was adopted.*

SCALE OF MEMBERS' CONTRIBUTIONS FOR 1970 (GC(XIII)/424)

96. Mr. NEJEDLÝ (Czechoslovakia), Rapporteur of the Programme, Technical and Budget Committee, introduced the Committee's report on the scale of Members' contributions for 1970 (GC(XIII)/424).

97. *The draft resolution in that document was adopted.*

THE AGENCY'S RESPONSIBILITY TO PROVIDE SERVICES IN CONNECTION WITH NUCLEAR EXPLOSIONS FOR PEACEFUL PURPOSES (GC(XIII)/425)

98. Mr. NEJEDLÝ (Czechoslovakia), Rapporteur of the Programme, Technical and Budget Committee, introduced the Committee's report concerning the Agency's responsibility to provide services in connection with nuclear explosions for peaceful purposes (GC(XIII)/425).

99. *The draft resolution annexed to that document was adopted.*

The meeting rose at 12.40 p.m.