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COMMITTEE OF THE WHOLE

RECORD OF THE SECOND MEETING

Held at the Neue Hofburg, Vienna, on Thursday, 25 September 1975, at 10.55 a. m.

Chairman: Miss LIM (Malaysia)

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* A provisional version of this document was issued on 29 September 1975.

** GC(XIX)/559.

THE RECORD

THE AGENCY'S BUDGET FOR 1976
(GC(XIX)/550, GC(XIX)/COM. 5/2)
(continued [1])

1. The CHAIRMAN invited the Committee to continue its general discussion of the Agency's budget for 1976.
2. Mr. RAHMAN (Pakistan) said that his Government supported the Agency's programme for 1975-80 [2] and its budget for 1976 (GC(XIX)/550), as well as for the previous year. Nevertheless, he wished to make a few comments on some key aspects of the programme.
3. The 31.5% increase in the Agency's activities related to nuclear power was most welcome. Pakistan supported the exchange of information on operating experience with nuclear power plants and the nuclear power market survey in developing countries, and was very much in favour of the efforts being made to achieve a degree of understanding between suppliers and customers about the standard characteristics desired in small and medium-sized power reactors. Obviously the training of qualified manpower was crucial for the success of nuclear power projects. The courses being arranged by the Agency in a number of advanced countries were a positive step, and Pakistan would itself be glad to act as host to a course for nuclear power plant engineers at its new nuclear power training centre.
4. Long-term plans for nuclear power development required an assured supply of uranium at reasonable prices. The threefold rise in uranium prices over the previous two years reflected current supply difficulties and the uncertainty about future supplies. Proven uranium resources would have to increase by a factor of four within the coming twenty years. At present most known resources were located in a few advanced countries. The Agency should consequently step up its assistance to developing Member States in uranium prospecting; they had a vast unexplored potential, and it was in the interest of all that prices should be held within tolerable limits.
5. World food production was not keeping step with population growth. In view of that, and given the high incidence of crop failures, it was to be regretted that the Agency was providing for a negligible increase of only 2.1% in its food and agriculture programme. That increase was surely not commensurate with the great need. Pakistan would like to see the Agency launch, in co-operation with the Food and Agriculture Organization of the United Nations (FAO), a comprehensive programme for the application of

nuclear radiation techniques in agricultural production and grain preservation in the developing countries.

6. His country also supported the work of the International Centre for Theoretical Physics at Trieste, which had offered excellent training opportunities to scientists from developing countries and had served as a meeting place for scientists from east and west. It was to be hoped that the recently formulated recommendations of the group of scientists set up by the Agency and the United Nations Educational, Scientific and Cultural Organization (UNESCO) to advise on the Centre's programme for the next six years would be accepted.
7. Mr. MCGILCHRIST (Jamaica) said, in connection with the nuclear power programme, that his delegation was anxious to preserve a proper balance between studies related to regional fuel cycle centres and project planning; briefly, the regional fuel cycle centres should not be allowed to grow at the expense of nuclear power projects for specific developing countries. The Agency's energy programme, on the other hand, could perhaps be allowed to grow at the expense of its other activities in view of the seriousness of the energy crisis. It was gratifying to note - in connection with the Agency's environmental protection work - that a sum of almost \$46 000 had been allocated for studies on the decommissioning of facilities (GC(XIX)/550, Table J.3).
8. Mr. POPESCU (Romania) said that if more funds had been allocated to technical assistance and research contracts of benefit to developing countries, his delegation would not have objected to the proposed budget increase for 1976. Since, however, there was no proper balance between the budget increase for safeguards and that in respect of the Agency's promotional and development activities, his delegation was not in a position to support the Regular Budget appropriations for 1976.
9. Mr. SIAZON (Philippines) said that he wanted to associate himself with two statements made at the previous meeting, namely that vacancy notices should always be issued when vacancies had to be filled and, secondly, that at its future meetings the Committee of the Whole should be provided with information on posts vacant at the time.
10. He recalled that his country's views regarding the budget for 1976 had been expressed in the Board of Governors. He would therefore restrict his remarks to the important matter of the financing of safeguards and technical assistance. In 1971 the General Conference had approved arrangements for the financing of safeguards [3] and had provided for a review of

[1] GC(XIX)/COM. 5/OR. 1, paras 19-61.

[2] GC(XVIII)/526.

[3] By Resolution GC(XV)/RES/283.

those arrangements at an appropriate time after 1975. His delegation believed that the time had now come for the General Conference to request the Board to appoint a committee which would consider the financing of safeguards. The present appropriation of somewhat over \$6.4 million for safeguards activities for 1976, with a further possible supplement, was - one could not help noting the fact - considerably more than the target of \$5.5 million for technical assistance. In the circumstances, he thought it necessary to stress that the Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT Review Conference) [4] had recommended that the share of the developing countries in the financing of safeguards should be limited. If, as he had suggested, a committee were appointed to consider safeguards financing, it could at the same time review the Agency's Safeguards System (1965, as Provisionally Extended in 1966 and 1968) [5] and could also try to quantify the concept of "specified information", which had recently been included in a tripartite safeguards arrangement approved by the Board.

11. In his delegation's view the target of \$5.5 million for technical assistance was far too low and it was to be hoped that the Board would agree on a higher target for the next year's budget.

12. In conclusion, he wanted to express gratitude to those who had offered to support Philippine technical assistance requests for which funds would not otherwise have been available.

13. Mr. ADEBARI (Nigeria) said that his country would always endeavour to make the expected contributions to the General Fund and to other technical assistance and voluntary services. His delegation considered, however, that more priority should be given to the provision of technical assistance to developing countries in Africa. Although it was pledging a voluntary contribution of \$5500 to the General Fund for 1976, his Government regretted that the Agency had turned down requests for technical assistance on the grounds that they contained no detailed information or that they had arrived a few days too late. His delegation considered that the Africa Section of the Division of Technical Assistance and Publications should be restructured so that it could play the role expected of it.

14. The CHAIRMAN, noting that there were no further comments and that the Committee did not wish to go through document GC(XIX)/550 section by section, suggested that it turn to the draft resolutions set out in Annex V to that

[4] Held at Geneva from 5 to 30 May 1975. The text of NPT is reproduced in document INFCIRC/140.

[5] Set forth in document INFCIRC/66/Rev.2.

document. She took it that the Committee wished to recommend draft resolution A (Regular Budget appropriations for 1976) for adoption by the General Conference.

● 15. It was so decided.

16. The CHAIRMAN took it that the Committee wished to recommend draft resolution B (Operational Budget allocations for 1976) for adoption by the General Conference.

● 17. It was so decided.

18. The CHAIRMAN took it that the Committee wished to recommend draft resolution C (The Working Capital Fund in 1976) for adoption by the General Conference.

● 19. It was so decided.

20. The CHAIRMAN invited the delegate of the United States of America to introduce the joint draft resolution contained in document GC(XIX)/COM. 5/2.

21. Mr. TAPE (United States of America), recalling a recent speech in which the Secretary of State of the United States of America had spoken of various matters of direct concern to the Agency, including safeguards, physical protection of nuclear materials, and regional nuclear fuel cycle centres, said that the Agency bore a heavy responsibility in connection with the physical protection of nuclear materials. The draft resolution on that subject now before the Committee (GC(XIX)/COM. 5/2) was therefore of prime importance, and the action recommended therein would be of benefit to both suppliers and recipients of nuclear equipment and materials. He understood that the delegate of France intended to suggest a few drafting amendments, which were entirely acceptable to the United States and the other sponsors of the resolution. He hoped, therefore, that the Committee would recommend its adoption by the General Conference.

22. The CHAIRMAN took it that the Committee wished to recommend the General Conference to adopt the draft resolution set out in document GC(XIX)/COM. 5/2.

● 23. It was so decided.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS FOR 1976 (GC(XIX)/551)

24. The CHAIRMAN invited the Committee to consider document GC(XIX)/551 on the scale of assessment of Members' contributions for 1976 and the draft resolution contained therein.

25. Mr. ENNOR (Director, Division of Budget and Finance), referring to the concern shown by some delegations at the increase in the Agency's budget for 1976, expressed the hope that the trend of the dollar exchange rate would make

such increases less necessary in the future. The Agency enjoyed a reputation for economy, and tried to avoid supplementary assessments of Members' contributions as far as possible. It was, however, unfortunate that less than half the Member States had so far pledged voluntary contributions, and he hoped some would be in a position at least to pledge token amounts.

26. Mr. DEMENTHON (France) said that the French delegation had in the past expressed reservations concerning the method of calculating the contributions of Member States to the Agency's safeguards budget. Those reservations remained valid, but as France drew more and

more on the Agency's safeguards services, and intended to continue to do so, it would pay its entire share of the Agency's safeguards budget from 1975 onwards.

27. The CHAIRMAN took it that the Committee wished to recommend the draft resolution on the scale of assessment of Members' contributions for 1976 contained in document GC(XIX)/551 for adoption by the General Conference.

- 28. It was so decided.
- The meeting rose at 11.40 a. m.