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COMMITTEE OF THE WHOLE

RECORD OF THE TWENTY-SEVENTH MEETING

Held at the Neue Hofburg, Vienna,  
on Wednesday, 22 September 1982, at 10.20 a.m.

Chairman: Mr. COPITHORNE (Canada)

## CONTENTS

<u>Item of the agenda**</u>		<u>Paragraphs</u>
-	Election of Vice-Chairmen and organization of work	1 - 7
9	The Agency's accounts for 1981	8 - 11
10	The Agency's programme for 1983-1988 and budget for 1983	12 - 71

\*/ A provisional version of this document was issued on 7 October 1982.

\*\*/ GC(XXVI)/674.

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The composition of delegations attending the session is given in document GC(XXVI)/INF/208/Rev.4.

ELECTION OF VICE-CHAIRMEN AND ORGANIZATION OF WORK

1. The CHAIRMAN said that a consensus had been reached on the choice of two Vice-Chairmen and proposed Mr. Hofland (Netherlands) and Mr. Oyegun (Nigeria).
2. If there were no objections, he would take it that the Committee of the Whole designated them as Vice-Chairmen in accordance with Rule 46 of the Rules of Procedure of the General Conference.
3. It was so decided.
4. The CHAIRMAN pointed out that document GC(XXVI)/COM.5/17 listed the six items on the agenda referred to the Committee by the General Conference. He proposed that those six items should be considered in the order in which they appeared in that document.
5. It was so agreed.
6. The CHAIRMAN proposed that, as in the past, he himself should present an oral report to the General Conference at a plenary meeting on the deliberations of the Committee, which would also be the subject of detailed summary records.
7. It was so decided.

THE AGENCY'S ACCOUNTS FOR 1981 (GC(XXVI)/665)

8. Mr. KOREF (Panama) suggested that the Committee approve the draft resolution contained in Part I of document GC(XXVI)/665.
9. Mr. POPP (Federal Republic of Germany) urged Member States which were late in paying their contributions to take the necessary action to regularize their position.
10. The CHAIRMAN said that if there were no objections he would take it that the Committee of the Whole wished to recommend the General Conference to adopt the draft resolution contained in Part I of document GC(XXVI)/665.
11. It was so decided.

THE AGENCY'S PROGRAMME FOR 1983-1988 AND BUDGET FOR 1983 (GC(XXVI)/666 and Mod.1)

12. Mr. ERNEMANN (Belgium) said that the expenditure increase envisaged in the Agency's draft programme for 1983-1988 and budget for 1983 was quite unacceptable under present conditions; the draft budget for 1983 involved a 6% increase over the budget for 1982 (real growth of 2%) and the increase was 23% in relation to 1981. The growth projected for 1984 and 1985 was 40% and 53% respectively in comparison with 1981. Moreover, the increase was doubled in the case of some Member States because of a substantial rise in the exchange rate of the United States dollar in relation to their national currencies. His delegation considered that in view of the world economic situation the Agency, like all United Nations bodies, should adhere to zero real growth. He could not therefore endorse the draft budget for 1983, on which he reserved the right to request a vote at the appropriate time.
13. In particular, as he had had occasion to state at a plenary meeting, he did not approve the proposed increase in the safeguards budget. The Director General had recalled the decision taken by the Board of Governors to review various aspects of the safeguards system. Belgium welcomed that initiative, with which it wished to be associated.
14. He wondered why the figures relating to the Agency's inspection activities were not published. They would undoubtedly reveal some anomalies; for example, in a given year 40% of the Agency's inspection effort had been devoted to the non-nuclear-weapon States members of EURATOM, which were already subject to stricter safeguards than those of the Agency.
15. He introduced a draft resolution which his delegation intended to submit to the General Conference (GC(XXVI)/COM.5/18) and by means of which the Conference might request the Board of Governors to submit to it, at its 27th session, a draft budget for 1984 reflecting zero growth in real terms. In deference to the wishes of several delegations, his delegation would not ask for the draft to be put to the vote. It was confident that the Secretariat and the Board of Governors would prepare for 1984 a draft budget which would represent a reasonable proposal in the light of current budgetary austerity.

16. Mr. MALU wa KALENGA (Zaire) agreed with the representative of Belgium that the proposed increase in the safeguards budget was unacceptable and disproportionate, especially in relation to the Agency's promotional activities. It was time to take the necessary steps to rationalize the safeguards programme and its budgetary implications.

17. He noted with satisfaction that the Belgian delegation had decided not to call for a vote on its draft resolution, but he appreciated its concern and felt that the Board ought to consider the possibility of submitting a zero-real-growth draft budget.

18. Mr. CASTRO MADERO (Argentina) said that, since the two essential functions of the Agency - promotion of the peaceful uses of nuclear energy and application of safeguards - were equally important, it was unfair that the real growth proposed in the "Safeguards" programme should be almost twice as high as that proposed in the "Technical assistance and co-operation" programme. More efficient use should be made of the resources allocated for safeguards activities so as to achieve savings. His delegation did not agree that the real growth in the budget should be kept at a level close to zero at the expense of the Agency's promotional activities, which catered to the actual needs of developing countries.

19. He wished to make a few comments on the proposed programme for 1983-1988. As regards the "Nuclear safety" programme, it was necessary to produce documents dealing with the application of the basic radiation protection standards approved in 1981 rather than taking up new subjects; to attach greater importance to emergency plans for nuclear facilities, covering both emergencies limited to the facilities themselves and those having implications for the public; to develop training programmes by providing support to national courses and, where necessary, by organizing courses directly; and to ensure that all the advisory and experts' services in the field of nuclear safety were based on the new basic radiation protection standards or, at least, were compatible with them.

20. As far as the programme of the International Centre for Theoretical Physics was concerned, the courses on solar energy should be more thorough than hitherto and should include, for example, the following topics: cost analysis of photovoltaic systems, theory of photovoltaic conversion and generation of industrial heat.

21. His delegation wished to express its dissatisfaction with the work of the Expert Group on International Plutonium Storage. There was no point in continuing the activities in that area since most surplus plutonium was in the possession of the nuclear Powers and was not subject to safeguards. In that connection, while it was indicated in paragraph P.5/19 that the study on international plutonium storage for 1983-1984 would depend on decisions to be taken by the Board of Governors at the beginning of 1983, increasing amounts were included for 1984 and 1985 in Table L.12. Those preliminary estimates should not be included in the draft programme, and his delegation was unable to approve them. Subject to those reservations, he approved the draft programme for 1983-1988 and the budget for 1983.

22. Mr. RUGGIERO (Italy) regretted to note that the efforts made over the previous years to slow down the growth in programmes and to redistribute resources according to priorities had not been pursued or, at least, had not yielded the expected results. The world economic situation continued to cause concern and the austerity measures taken by most Governments should also extend to international organizations.

23. The proposed 2.5% growth in real terms was excessive, and in spite of it cuts were being proposed in certain important promotional activities. A better balance should have been struck between the various items of the budget, and in particular efforts made to stabilize expenditure on administration, general services, supplies and equipment. Also, his delegation was concerned at the proposed increases under "Consultants", "Overtime", "Temporary assistance", and "Conferences, symposia, seminars". As regards the creation of additional posts and reclassification of existing ones, he considered that, since staff costs already accounted for two thirds of the budget, it would be advisable to re-deploy existing staff rather than recruit additional personnel.

24. Considering that for several years there had been a tendency to over-estimate budgetary needs, it was certainly possible to reduce the budget by 4% (average surplus for 1971-1981) without detriment to programmes. As regards the draft programme for 1983-1988, Italy would continue to assign priority to technical co-operation, nuclear safety, safeguards and promotional activities in general. It had, however, reservations about the restructuring of the Department of Safeguards, the proposed safeguards training programme and the purchase of second-generation equipment, which alone would involve the expenditure of US \$40 million in five years. His delegation awaited with interest the conclusions of the expert appointed by the Director General to study that matter. Lastly, he had reservations about the preliminary estimates for 1984 and 1985.

25. Mr. MENON (India) expressed his agreement with the Argentine delegation on the subject of the international plutonium storage study. Since the mandate of the group of experts expired at the end of 1982, it was for the Board to decide whether that activity ought to continue. Until such a decision had been taken, it was quite irregular to make budgetary provision for the study.

26. His delegation noted with regret that once more the budget provided for an increase in the Agency's regulatory functions to the detriment of its promotional activities, and that the trend was to grow further in the future. It therefore reserved its position on the matter.

27. He requested some explanations concerning the use made of the budgetary surpluses which had occurred in recent years. It was to be hoped that the Agency had benefited from the prevailing high interest rates.

28. Mr. HAWAS (Egypt) did not approve the principle of zero real growth of the budget, especially as regards technical co-operation and other developmental activities, which were one of the essential objectives of the Agency. His delegation would return to the matter during discussion of item 13. It was logical to wait for the Board to take a decision before making plans

concerning the international plutonium storage study. Otherwise his delegation had no difficulty in endorsing the draft budget.

29. Mr. STROHAL (Yugoslavia) commended the Director General and his colleagues for the excellent draft budget and programme which they had submitted to the General Conference. He had, however, a few comments and one objection to put forward.

30. Although he recognized the usefulness of restructuring the Department of Safeguards, he wondered how that could be achieved with a zero-real-growth budget unless it was intended to reduce expenditure on promotional activities with a view to financing the increase in that on safeguards. At the preceding two meetings of the Board, several representatives of advanced countries had, when the situation was reversed, opposed the exceptional transfer of funds from the "Safeguards" appropriation Section to the appropriation Sections concerned with promotional activities, on the grounds that such action would alter the balance between the regulatory and promotional activities of the Agency. He wondered whether the same argument held good in the opposite direction.

31. His delegation noted with satisfaction the increase in the activities concerned with nuclear safety and expressed appreciation for the help which the Agency had provided his country in that field in 1981 and 1982.

32. As regards the study on international plutonium storage (IPS), he considered that there was still no legal ground for its inclusion in the Agency's Regular Budget. His delegation was therefore unable to accept the draft budget, and wished to explain its position. The IPS study had been criticized several times by countries participating in it, especially at the preceding session of the General Conference. The latter had at that time decided to include the study tentatively in the Agency's Regular Budget on the understanding that it would be discussed by the Board, which was to approve the activities in question. However, that had not been done because the group of experts had never submitted a report to the Board. Thus, neither the Board nor Member States had

been in a position to consider the matter and express their views. It was with reluctance, having exhausted all other means at its disposal, that his delegation had now decided to bring to the notice of the General Conference certain irregularities which had marked the activities involved in the study.

33. Yugoslavia and other participating countries had made observations concerning the study, and in particular its management, which had been ignored by the IPS secretariat. His country had therefore sent to the meetings of the expert group senior officials who had submitted written comments and requested the secretariat to prepare essential background documents. Their requests had not received any response either, and nor had official letters and personal contacts yielded any results. His country had then sent a written complaint to the Director General, who had immediately convened a meeting, with the participation of six developing countries, represented mostly by their ambassadors in Vienna. At that meeting the Director General had announced that he intended to request the expert group to submit a technical report by the end of 1982 and that the report and the observations made by Member States would form the basis of the discussion about whether and how activities on IPS should continue.

34. The Director General had given participants in that meeting copies of a document with the symbol "EG/130", which Yugoslavia had requested in writing. The participants had sent the document to their Governments and received instructions. Two weeks later, the IPS secretariat had published a document bearing the same title and the same symbol, but with a different text. In such circumstances, the IPS secretariat could no longer be said to inspire confidence and should be reorganized. Subsequently, the secretariat had again, in accordance with its continuing bad practice, distributed documents which were at variance with decisions taken at the last meeting of the expert group. By contrast, the activities on the subject of international spent fuel management represented a model of the way in which work, involving equally sensitive questions, could and should be carried out.

35. It was for those reasons that the Yugoslav delegation could not approve document GC(XXVI)/666 in its existing form. Three solutions might be proposed: not to include work relating to international plutonium storage in the Regular Budget; to revise all the paragraphs in which plutonium storage was mentioned; or not to endorse the draft six-year programme.

36. Mr. DIDIER (Brazil) supported the Belgian proposal that the draft budget for 1984 should show zero growth in real terms. He also associated himself with those delegations which had spoken against the excessive level of expenditure on safeguards compared to that on promotional activities.

37. Mr. BARROS (Portugal) said he could not accept the draft budget in document GC(XXVI)/666/Mod.1. The current economic situation was difficult for all countries without exception and international organizations ought in that context to exercise strict financial discipline. Portugal therefore supported the draft resolution GC(XXVI)/COM.5/18 put forward by Belgium.

38. Mr. MAHMOUD (Iraq) said that as in previous years the growth in safeguards costs shown in document GC(XXVI)/666 was excessive; the increase was as much as 20%, whereas the funds allocated to technical assistance and co-operation would only increase by 4.5%. It was necessary to rationalize and to balance the budget, and in particular to increase the funds provided for training in the field of nuclear power, and to continue multi-year technical co-operation programmes, even if the funds involved exceeded the predictions, in view of the importance of those programmes. He could not accept the principle of zero real growth for the technical co-operation programme, which was of decisive importance for developing countries. Lastly, the international plutonium storage study should not be financed from the Regular Budget.

39. Mr. HAMAMOTO (Japan), endorsing the draft budget for 1983, said that in view of the difficult financial situation in which numerous countries, including his own, found themselves, the Agency should make every effort to achieve economies and efficiency in the implementation of its approved budget. It should also do everything possible to limit the growth of the draft budgets

for 1984 and the following years. As a result of a particularly difficult budgetary situation, the Japanese Government might be forced to delay the payment of its voluntary contribution to the Technical Assistance and Co-operation Fund.

40. Mr. KOREF (Panama) endorsed draft resolutions B and C in Annex VII to document GC(XXVI)/666 and draft resolution A in Appendix 5 to document GC(XXVI)/666/Mod.1. He hoped that the funds provided for 1983 would enable the Agency to carry out its duties efficiently and that the programmes which had been prepared with so much care could be brought to a successful conclusion. He welcomed in particular the proposed restructuring of the inspectorate and the setting up of a Safeguards Evaluation Division. The appreciation of the United States dollar had made it possible to reduce the predicted costs, and hopefully that would enable the Agency to increase its activities in 1984, particularly those related to technical co-operation. Panama could not subscribe to the draft Belgian resolution calling for zero real growth in the Agency's programmes. On the contrary, the world economic crisis called for an increase in technical assistance to the developing countries so that, by producing more, they would have more foreign currency available for their trade with the industrialized countries.

41. Mr. WILMSHURST (United Kingdom) endorsed the draft programme and budget in documents GC(XXVI)/666 and Mod.1. The international plutonium storage study had attracted perhaps rather too detailed attention. The Secretariat had been criticized because it had provided for the financing of the study from the Regular Budget without the prior approval of the Board: it would however appear highly advisable to provide for funds, since otherwise no resources would be available if the Board were to give its approval.

42. Mr. SILANGWA (Zambia) said that his country, like many other less-advanced countries, had very little experience in the use of nuclear energy for social and economic development; in his view promotional activities should therefore occupy a leading place in the Agency's work. The technical co-operation and nuclear safety programmes deserved particular attention, and a better distribution of the safety codes and guides should be ensured. Training in nuclear safety should be provided for the developing countries, which should be helped to establish an adequate infrastructure for the application of the Agency's safety standards.

43. Zambia was concerned to see that the funds for safeguards had again increased, and it associated itself with the delegations which believed that in the current situation the safeguards budget should be revised downwards. It was obvious that the Agency had to make savings but in doing so it should not lose sight of the fact that the majority of States were still in the early stages of the utilization of nuclear energy and that promotional activities, which had for too long been neglected, should undergo a substantial expansion - a principle which was incompatible with the proposal that the 1984 budget should reflect zero real growth.

44. Mr. BIRIDO (Sudan) endorsed the draft programme and budget in documents GC(XXVI)/666 and Mod.1. On the other hand, he could not subscribe to the draft resolution put forward by Belgium and would have voted against it if a vote had been taken; the arguments put forward by the Belgian and other delegations were absolutely unconvincing and the results expected from the measures advocated would doubtless take some time to make themselves felt. Sudan could accept a certain restriction on the funds for safeguards but not on those for technical co-operation. It was true that the international organizations were currently experiencing financial difficulties. That called, however, for better management of resources and should lead to the Agency placing emphasis on technical assistance and co-operation activities and providing more funds for them.

45. Mr. OYEGUN (Nigeria) supported draft resolutions B and C in Annex VII to document GC(XXVI)/666 and draft resolution A in Appendix 5 to document GC(XXVI)/666/Mod.1. The programme was only a declaration of intent and was subject to change when the annual budgets were drawn up. That was why Nigeria could accept the spirit of the Belgian draft resolution insofar as it stipulated that the draft budget for any particular year should take proper account of the context and the realities existing at the time. However, the wording of the draft was unacceptable because it was too specific and insufficiently flexible - no one knew what the economic situation would be in 1984. In the period of austerity through which the Agency was passing, it was

important to give even more attention to the structure of the budget. In that connection, he fully supported the Argentine delegation, which had stated that it was unacceptable to sacrifice promotional activities to zero real growth.

46. Mr. HOFLAND (Netherlands) said that as a general rule the budgets of United Nations bodies should show zero real growth. Nevertheless, in view of the importance of the Agency's work, the Netherlands was ready to accept for 1983 an overall real increase of 2.5% in the budget, or an increase of 1.1% in Member States' contributions. The growth in safeguards expenditure might seem to be large, but it could be explained by the increase in the number of installations under safeguards and the constant development of new equipment. The growth of the technical co-operation budget and of the voluntary contributions to the Technical Assistance and Co-operation Fund was evidence that the programme in question had improved both qualitatively and quantitatively, the total volume of funds available having tripled over the preceding seven years. Table 1 in document GC(XXVI)/666 showed that the sums available for technical assistance were greater than those allocated to other Agency activities. Subject to parliamentary approval, he could announce that his country would contribute US \$313 500 to the Technical Assistance and Co-operation Fund in 1983.

47. Certain delegations had raised objections about the international plutonium storage (IPS) study. As the Argentine delegation had indicated, it was clearly the prerogative of the Board and of the Board alone to decide which IPS activities would continue. However, it was a wise practice to include in the budget funds for projects which might be approved by the Board. The representative of Yugoslavia had voiced a number of criticisms, particularly with regard to the distribution of certain documents. Without wishing to get involved in a long debate, he would like to point out that in preparing those documents the Secretariat had only been responding to a request that had been put to it and there could be no question of those documents prejudging the decision which the expert group would take in October.

48. In conclusion, the Netherlands endorsed draft resolution A in Appendix 5 to document GC(XXVI)/666/Mod.1 and draft resolutions B and C in Annex VII to document GC(XXVI)/666. The amounts proposed for the 1984 draft budget in document GC(XXVI)/666 were everywhere too high and it was to be hoped, as the Belgian delegation had suggested, that the Secretariat would be able to present new and more acceptable estimates.

49. Mr. KIRK (United States of America) approved the budget for 1983 proposed by the Board on the basis of an exchange rate of 16.60 schillings to the United States dollar. In doing so, the United States was waiving its general policy rule that the budgets of United Nations bodies should reflect zero real growth. It was convinced that the small real increase involved was justified because it would allow improvements to be made in the safeguards programme. On the other hand, the United States had serious reservations about the preliminary estimates for 1984 and 1985; those for 1984 in particular should be revised downwards, but it was in any case not yet time to adopt the budget for that year.

50. The question of international plutonium storage had been raised and it was gratifying to note that the Board would consider the future of the study in February. It was quite logical to provide funds for the study in the programme and budget document, so that money would be available if the Board decided to continue it. Finally, the United States endorsed a target of \$19 million for voluntary contributions to the Technical Assistance and Co-operation Fund and the proposed figure of \$2 million for the Working Capital Fund.

51. Mr. KHAN (Pakistan) said that new breakthroughs in nuclear energy were expected in the coming years and that it was essential to be prepared for them by providing sufficient resources in the budget. It was obviously advisable to invest in nuclear power and safeguards; the energy crisis was going to continue and the recourse to nuclear power was going to increase everywhere. The developing countries, in particular, had no other choice. The World Bank had recently pointed out that those countries were spending enormous sums for the import of fuel and that those sums would double before the end of the century. It was also to be noted that nuclear energy was cheaper.

52. It was sometimes said that nuclear energy was only of interest to a handful of developing countries. Nothing could be further from the truth; at least 15 developing countries, representing half the world's population, were closely involved with it, and that figure related only to large power stations - if smaller-capacity stations could be built, 15 or 20 more developing countries would be interested. It was therefore very important for the Agency to try once again to promote the development of small and medium-size power reactors; it had already done so in the 1960s, but the conditions and the technology had been different then.

53. It had also been said that nuclear power required very heavy investments - prohibitively high for many countries. While it was true that the initial capital costs were large, the generation costs were less than one half those of other energy sources and amortization took two or three years of operation. In view of the lifetime of nuclear power stations (30 years), it was clear that the cost of nuclear energy to the economy was a factor of six or seven less than that of other energy sources. The World Bank had, moreover, recently shown itself very much in favour of the use of nuclear power by developing countries in the current economic situation.

54. Article XI.B of the Statute stated clearly that the Agency could help countries find sources of financing for nuclear power plants. That was something which the Agency had not done to date, but now that the World Bank was deeply involved in the energy problems of the developing countries co-operation between the two bodies aimed at financing nuclear power plants might well prove to be fruitful. Article XI also provided for the Agency to play a part in supplying fuel. Originally, it had even been foreseen that the Agency would act as a broker in that area. In a world where fuel and equipment supply problems were becoming ever more complex, bilateral co-operation had not proved to be as successful as expected and the Agency should examine what role it could usefully play in that field.

55. Pakistan supported the Agency's nuclear safety and waste management activities and would welcome the establishment as soon as possible of an emergency assistance mechanism. He understood the reasons which had led the Belgian

delegation to submit its draft resolution proposing a zero-real-growth budget for 1984, but the restrictions which that would entail should not apply to technical assistance and co-operation or to the Agency's other promotional activities.

56. Rather, attempts should be made to use resources as effectively as possible. In that context it should be noted that the safeguards budget, which already amounted to almost US \$30 million, was to receive further substantial increases in the coming years, reaching the huge sum of US \$41.7 million in 1985. Those figures were of course only forecasts, but they reflected a trend of which he did not approve, particularly in view of the fact that, when hidden expenses which did not appear in the "Safeguards" programme were taken into account, that programme absorbed a third of the Agency's budget. The Agency was threatening to become merely a regulatory body, and it was a matter of urgency that the balance between promotional and regulatory activities be restored. Three nuclear-weapon countries had placed nuclear facilities under Agency safeguards, but they should have done so in such a way that the Agency incurred no expenditure. In any case, would that step really serve the cause of non-proliferation? A genuine gesture of goodwill on the part of those countries would be to reduce their stockpiles of nuclear weapons.

57. The aim of zero real growth could be retained for safeguards but certainly not for technical co-operation and other promotional activities. Food and agriculture and also health programmes, which had already suffered a disproportionate decrease, were again being cut back despite the fact that they had demonstrated their effectiveness, were held in high popular esteem and could therefore help to make nuclear energy more acceptable to the public.

58. In conclusion, he associated himself fully with the comments made by the representative of Yugoslavia and by other delegations regarding the improper allocation of funds to the international plutonium storage study when no decision had been taken by the Board on that question.

59. Mr. KHLESTOV (Union of Soviet Socialist Republics), recalling that his delegation had already expressed its views on the draft programme and budget at the meetings of the Administrative and Budgetary Committee and the Board of Governors, said he would restrict himself to a few brief remarks. The document was an accurate reflection of the main thrust of the Agency's work, particularly with regard to its research and technical co-operation activities and the study of the most promising possibilities afforded by nuclear energy. His delegation therefore supported draft resolution A in Appendix 5 to document GC(XXVI)/666/Mod.1 and draft resolutions B and C in Annex VII to document GC(XXVI)/666. It did not feel it was necessary to go further into the question of safeguards, which had many legal, political and technical repercussions and which were essential for resolving certain problems posed by States, such as South Africa, which refused to submit all their facilities to Agency safeguards. Draft resolution B provided for an increase of US \$3 million in the resources available for technical assistance and co-operation by comparison with 1982, and draft resolution A provided for an increase in the resources available for work in the field of nuclear power and safety and for research, activities which were of benefit to the developing Member States. That increase in resources was all the more impressive since a large number of the Agency's Member States were in a difficult financial position. The Soviet Union supported the draft resolutions but urged the Secretariat to ensure the most effective utilization of the available resources and to reduce non-productive expenditures in 1983 and subsequently.

60. Mr. COUSINS (Australia) considered that the document submitted reflected the Agency's priorities and provided for adequate funds for technical assistance, safeguards and nuclear safety. He could therefore support the increase foreseen for 1983 over 1982, but he had reservations regarding the figures for 1984 and 1985. He requested the Secretariat to make sure that administrative expenses remained steady and to take steps to ensure that the over-runs and under-runs which had caused so much concern to many delegations in 1982 would not be repeated. Australia accepted the target for voluntary contributions for 1983 and would soon pay the balance of its 1982 contribution.

The draft resolution submitted by Belgium was too rigid since it was impossible to say now what increases in the budget would be necessary for 1984. He shared the view of the speakers who had said that the Board was the competent body to decide on the question of international plutonium storage (IPS). Funds had been allocated to the study in the draft 1983 budget on a contingency basis, which was not an unusual procedure.

61. Mr. KENYERES (Hungary) said that the increase in the Agency's budget was all the more noteworthy in view of the international economic climate and that, although modest, it would ensure a well-balanced expansion of the three principal areas of activity - technical assistance, nuclear safety and safeguards. Hungary was implementing very strict measures to reduce administrative expenses and requested the Agency to do the same, inter alia through a reorganization of its administration. His delegation approved the proposed resolutions but urged that the 1984 budget be drafted so as better to reflect international economic reality.

62. Mr. KATTAN (Saudi Arabia) said that his delegation broadly endorsed the draft document. Although it strongly supported safeguards, however, his delegation felt the funds allocated to that activity had increased too much in relation to those earmarked for technical assistance, nuclear safety and training; the Secretariat should rationalize its expenditures and distribute them more equitably. He supported those delegations which had called for the international plutonium storage study to be terminated. Implementation of the draft resolution submitted by Belgium would harm the Agency's promotional activities, which were of importance primarily to the developing countries, and his delegation could not therefore endorse it.

63. Mr. MORALES (Cuba) said he could not support the draft resolution submitted by Belgium since zero real growth in the budget for 1984 by comparison with 1983 would be detrimental to the Agency's promotional activities and thus to the developing countries. On the whole his delegation could endorse the programme and budget document, although the Secretariat should take steps to ensure that a balance was maintained between the Agency's promotional and safeguards activities despite current economic difficulties.

64. Mr. LINDSTRÖM (Sweden) said he endorsed the draft budget, which reflected the three major priorities - technical assistance, nuclear safety and safeguards. He would restrict himself to two comments. First, with regard to the draft resolution submitted by the Belgian delegation, he pointed out that Sweden was also undergoing serious economic difficulties but nonetheless felt that the budget of each international organization should be judged on its own merits and that it was impossible to set rigid rules. Secondly, the international plutonium storage study did not seem to pose any real problems from the budgetary point of view; of course, the opinions of the members of the expert group differed on substantive questions, but it was his impression that the Committee was in general agreement that the Board of Governors should be responsible for decisions relating to the study.

65. Mr. NANIOV (Bulgaria) endorsed the draft programme and budget and associated himself with those delegations which had requested that budgetary growth be limited in future years.

66. Mr. ROEHNSCH (German Democratic Republic) recognized the efforts which had been made to restrict the growth of the budget and considered the draft programme to be well balanced. In his opinion, there were three key areas. The first was nuclear power, the importance of which had recently been underlined by the Conference on Nuclear Power Experience. The second was safeguards, the expansion of which was justified by the increasing number of facilities and quantities of material under safeguards; the funds available for safeguards should be fully utilized and the Secretariat should ensure that the reorganization of the Department of Safeguards led to greater effectiveness. The third key area was technical assistance and co-operation, where improvements in project planning and post-project evaluation should enable resources to be utilized more effectively. In conclusion, his delegation supported the draft resolutions proposed.

67. Mr. THABAULT (France) said his delegation endorsed the draft budget which was well balanced and took into account both hopes for an expansion of promotional activities and economic realities. He requested the Secretariat to restrict expenditures more severely and in particular to reduce administrative and travel costs and the costs resulting from the holding of symposia and seminars, and to cut the number of publications in order to facilitate the simultaneous distribution of all Agency publications in the various official languages. The planned reorganization of the Department of Safeguards should improve the assignment of inspectors to the different regional sections and ensure that the principle of equitable geographical distribution was observed when recruiting inspectors. The question involved here was simply one of redistribution and not of measures which would increase expenditure. The various comments which had been made on the subject of international plutonium storage had been carefully noted by France and should not make the Committee lose sight of the importance of the study for which the funds foreseen should be retained.

68. Mr. BASTRUP-BIRK (Denmark) said that now was not the appropriate time to examine the draft budget in too much detail since it was only in the Board of Governors that the review of such documents could produce satisfactory results. The Danish delegation attached great importance to the effectiveness of safeguards and could on the whole endorse the draft budget, including the increase foreseen in the overall total by comparison with the previous year and the proposed target for voluntary contributions for 1983; in the latter connection he wished to record his Government's endorsement of the indicative planning figures recommended by the Board of Governors for the targets in 1984, 1985 and 1986. The draft resolution submitted by Belgium should not be put to a vote since the implementation of such a resolution would eliminate all flexibility in the preparation of draft budgets. His delegation suggested that the summary record of the discussions be transmitted to the Director General and the Board for their information.

69. Mr. IONESCU (Romania) pointed out that the draft programme took into account the priority activities of the Agency relating to the promotion of the uses of nuclear energy for peaceful purposes as well as the proposals put forward by Member States, including the developing countries. He approved the activities planned for the promotional areas - technical assistance, nuclear safety, training and the applications of nuclear energy in industry, agriculture and medicine. He endorsed the proposed target for voluntary contributions to the Technical Assistance and Co-operation Fund as well as the indicative planning figures for subsequent years. The Agency should have sufficient resources to be able to meet the growing number of requests for technical assistance. It should award more research contracts, which promoted the exchange of information between recipient establishments and were particularly valuable to the developing countries. Romania thanked the Agency for the technical assistance which it had provided during the past year, but pointed out that safeguards costs were continuing to grow at the expense of technical assistance. His country insisted, like many other developing countries, that resources be equitably distributed between promotional and safeguards activities. It shared the views of certain other Member States on the international plutonium storage study. Nuclear energy was essential to the developing countries and the Agency should concentrate its assistance in that area in order to promote the transfer of technology. In conclusion, he urged the Board to reduce administrative costs.

70. Mr. LOOSCH (Federal Republic of Germany) broadly endorsed the draft programme and budget. Since he had expressed his views on them in the Board of Governors, he would restrict himself to three remarks. First, more detailed information should be given on the subject of second-generation safeguards equipment before the Secretariat began to purchase it. Secondly, he shared the views of the representative of the United Kingdom regarding international plutonium storage, feeling that it was the responsibility of the Board to take decisions on that question. Thirdly, it was difficult to reconcile increases in expenditure with the current economic crisis, but increases were necessary in the three priority areas.

71. Mr. AGYEI (Ghana) said that his delegation generally endorsed the proposals submitted but opposed the principle of zero real growth in the technical assistance appropriations. Technical assistance was the only way of putting the peaceful uses of nuclear energy at the disposal of the developing countries.

The meeting rose at 1 p.m.

