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RECORD OF THE NINETY-THIRD MEETING

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on Thursday, 30 September 1993, at 3.20 p.m.

President: Mr. POSTA (Hungary)

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[*] GC(XXXVII)/1085.

The composition of delegations attending the session is given in document GC(XXXVII)/INF/328/Rev.2.

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Abbreviations used in this record

Chemical Weapons Convention	Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction
DPRK	Democratic People's Republic of Korea
EURATOM	European Atomic Energy Community
ICTP	International Centre for Theoretical Physics (in Trieste)
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
SAGSI	Standing Advisory Group on Safeguards Implementation
Trieste Centre	See ICTP
UNESCO	United Nations Educational, Scientific and Cultural Organization

STRENGTHENING OF THE AGENCY'S MAIN ACTIVITIES (GC(XXXVI)/RES/587, GC(XXXVII)/1074, GC(XXXVII)/COM.5/127) (continued)

1. The CHAIRMAN invited Mr. Schmidt (Austria), one of the Vice-Chairmen, to report on the informal consultations that had taken place regarding the draft resolution contained in document GC(XXXVII)/COM.5/127.
2. Mr. SCHMIDT (Austria) said that the consultations had resulted in a proposal to modify operative paragraph 3 by replacing the words "other main activities besides safeguards" by "the main activities of the Agency as noted in paragraph 1 above".
3. The CHAIRMAN asked whether any delegations still wished to make general statements before the Committee took a decision regarding the draft resolution.
4. Ms. SCHICK (Australia) said that her country considered all of the Agency's activities, not least technical co-operation, to be important. Commending document GC(XXXVII)/1074, she said that, while it reflected the high priority already attached to technical assistance activities, her delegation had been particularly pleased to see how many projects of interest to all Member States had been initiated during the past year.
5. A major concern with the Agency's large overall programme, however, was how best to strengthen delivery in order to meet the needs of Member States. In that connection, her delegation was in favour of extending the kind of evaluation already practised within the Department of Technical Co-operation to other parts of the Secretariat.
6. With regard to the Medium-Term Plan for the period 1995-2000, her delegation looked forward to participating in the process of formulating it.
7. Her delegation was prepared to go along with the proposal just presented for amending the draft resolution under consideration, although it would have preferred something closer to resolution GC(XXXVI)/RES/587 adopted by the Conference in 1992.
8. Mr. NAIT TIGHILT (Algeria) said his delegation considered it important to strengthen the Agency's activities along the lines envisaged in the draft resolution contained in document GC(XXXVII)/COM.5/127. Given the fact that one of the Agency's main functions was to promote the uses of nuclear energy for peaceful purposes, promotional

activities should receive as much emphasis as regulatory activities. This could be achieved only by ensuring an adequate balance between the Agency's main activities. The draft resolution was therefore particularly relevant, and his delegation supported it with the proposed amendment.

9. Mr. CAMPUZANO PIÑA (Mexico) said that, while welcoming document GC(XXXVII)/1074, his delegation would nevertheless have liked to see the Secretariat displaying greater initiative in response to resolution GC(XXXVI)/RES/587 and not simply producing a document shortly before the General Conference's current session.

10. From Article II of the Statute it was clear that the Agency's technical assistance and co-operation activities were no less important than its safeguards activities. Thus, there ought to be no further need to debate priorities.

11. With regard to the Medium-Term Plan for the period 1995-2000, he considered that a draft should be worked out by the Secretariat, in consultation with Member States, in time for submission to the Administrative and Budgetary committee in May 1994.

12. His delegation welcomed the spirit of compromise shown in consultations on the draft resolution contained in document GC(XXXVII)/COM.5/127.

13. Mr. FUJIKI (Japan) said that, in view of the fact that nuclear power was essential for meeting the energy requirements of all countries and not just the developing countries, he felt that preambular paragraph (e) should be amended to read "... for meeting energy requirements, in particular those of the developing countries, ..."

14. The CHAIRMAN asked whether the Committee wished to recommend that the General Conference adopt the draft resolution contained in document GC(XXXVII)/COM.5/127 with the proposed amendment to operative paragraph 3 and the amendment to preambular paragraph (e) just suggested.

15. It was so agreed.

STRENGTHENING THE EFFECTIVENESS AND IMPROVING THE EFFICIENCY OF THE SAFEGUARDS SYSTEM (GC(XXXVI)/RES/586, GC(XXXVII)/1073, GC(XXXVII)/COM.5/131)

16. Mr. VILAIN XIII (Belgium), introducing the draft resolution contained in document GC(XXXVII)/COM.5/131, pointed out that it was almost identical with resolution GC(XXXVI)/RES/586 adopted by the General Conference in 1992. The only substantive differences related to operative paragraph 4. They took into account important developments involving the Board of Governors which had taken place during the past year.

17. Mr. MOHAN (India) requested that the reference to the SAGSI report in operative paragraph 4 be deleted as the report had not yet been endorsed by the Board of Governors. Deletion of that reference would not affect the substance of the paragraph.

18. Mr. CAMPUZANO PIÑA (Mexico), commending the efforts made by SAGSI during the past year in analysing the safeguards system, said his delegation would nevertheless have preferred it if SAGSI had concentrated on the question of rationalizing the present system rather than on the possible introduction of additional safeguards measures. Moreover, some of the proposals put forward by SAGSI in document GOV/2657 could be implemented only after the necessary legal framework had been established and the technical, financial and political implications analysed. His delegation therefore had difficulty in accepting operative paragraph 4 so long as it contained the reference to the SAGSI report.

19. Ms. CZOCH (Hungary) said that, as a co-sponsor of the draft resolution, her delegation would prefer to retain the reference to the SAGSI report, but it would not object to a slight change of wording - for example, the substitution of "taking into consideration the report by SAGSI" for "on the basis of the report by SAGSI".

20. Her delegation believed that SAGSI's recommendations required careful consideration, cost-benefit analysis and practical testing. Hungary had already offered its services for testing new techniques and procedures and was ready to participate in further safeguards trials.

21. While her delegation was convinced that the relevant provisions of INFCIRC/153-type agreements could accommodate the envisaged additional elements and new approaches, it felt

that Part X of the Verification Annex to the Chemical Weapons Convention should also be analysed with regard to the question of additional rights for the Agency in its verification activities.

22. The Secretariat should elaborate on the SAGSI recommendations by outlining their political, legal, technical and financial implications and propose a realistic action plan for approval by the Board in December.

23. Mr. OKONKWO (Nigeria) said that his delegation was looking forward to examining, later in the year, concrete proposals based on SAGSI's recommendations. His country, which strongly supported every genuine effort to strengthen the effectiveness and improve the efficiency of safeguards, felt sure that effectiveness could be strengthened without sacrificing efficiency. In that connection, he stressed the need for transparency, credibility and universality of the safeguards system.

24. Mr. RESHETNYAK (Ukraine) said that initial steps towards placing all nuclear facilities in Ukraine under Agency safeguards - technical visits to all relevant sites by Agency inspectors - had already been taken. Ukraine hoped that Agency safeguards could be implemented without waiting for its accession to NPT.

25. Mr. SCHMIDT (Austria) said that the commendable results achieved by the Secretariat during the past year in increasing the effectiveness and improving the efficiency of safeguards had been due in large measure to the excellent work of SAGSI. His delegation therefore felt that the draft resolution under consideration should contain a reference to SAGSI, whose report had been far more comprehensive than the Board's deliberations in June. Appealing to other delegations to accept the reference to the report of SAGSI, he said that it had been included merely for information purposes - not in order that the report might acquire some special status.

26. Mr. LIU (China) said that in recent years the Agency had done useful work aimed at enhancing the effectiveness and efficiency of safeguards and that the recently introduced measures relating to the early provision of design information and to universal reporting on imports and exports of nuclear material and equipment should help increase the transparency of the nuclear activities of countries which had concluded safeguards agreements

with the Agency and help strengthen the safeguards system. Owing to the different circumstances which prevailed in different countries, however, one single model could not be forced upon all States and commitment to the new measures should be on a voluntary basis. In that connection, he was pleased that the voluntary principle was embodied in the universal reporting mechanisms.

27. Turning to document GC(XXXVII)/1073, he said that, although the Director General's report did not touch explicitly upon the issue of special inspections, some clarification was required of points such as how any supplementary information provided was to be used, how abuse of the right of inspection could be prevented, and what should be done to ensure that national sovereignty was not undermined.

28. SAGSI's proposals merited careful study. In that context, the following points should be borne in mind. Firstly, efforts to enhance safeguards efficiency and effectiveness must not adversely affect the Agency's promotional activities. Secondly, any new measures should provide for the settlement of disputes through consultation; they must not be coercive in nature. Thirdly, they should be fair, objective, rational and transparent, and it should not be possible for a minority of countries to manipulate the Agency's safeguards activities. Finally, given the attainment of inspection goals for crucial phases of the nuclear fuel cycle, ways should be found of reducing costs through greater efficiency.

29. Emphasizing that any arbitrary enforcement of strengthened safeguards in certain countries while safeguards in other countries were being streamlined would damage the Agency's safeguards system, he suggested that the Secretariat study SAGSI's recommendations carefully and submit a report at an appropriate point for consideration by the Board.

30. On the general question of nuclear non-proliferation, he said that his country had always advocated a comprehensive ban on the use of nuclear weapons and their total destruction. It did not advocate, encourage or take part in nuclear arms proliferation. Indeed, China openly opposed it and did not help other countries to develop nuclear weapons. Following its accession to NPT, in March 1992, China had, in February 1993,

undertaken to report on its imports and exports of nuclear material to the Agency, thus demonstrating its support for non-proliferation.

31. Equally, China had always advocated a complete cessation of nuclear testing. Certain States had temporarily suspended their nuclear tests. Being the earliest States to produce nuclear weapons, and the States which had carried out more tests than any others and which had the largest stockpiles of nuclear weapons, the United States and Russia had fittingly taken the lead in that area. The small nuclear arsenal which China possessed was intended entirely for self-defence. China had never taken part in the arms race and had kept its nuclear tests to a minimum.

32. The prohibition of nuclear tests would be an important move, but it was even more important that the use of nuclear weapons be prohibited. China had long ago stated that it would not be the first to resort to the use of nuclear weapons at any time or under any circumstances, and that it would not threaten to use nuclear weapons against non-nuclear-weapon States or in nuclear-weapon-free regions. All nuclear-weapon States should make such a commitment, and an international convention to that end should be concluded. China was ready to co-operate with the entire international community with a view to achieving a comprehensive ban on the use of nuclear weapons and the total destruction of such weapons.

33. Finally, turning to the draft resolution contained in document GC(XXXVII)/COM.5/131, he said that in June the Board had not had substantive discussion of SAGSI's report. Rather, it had requested the Director General to submit a detailed report to the Board in December on the recommendations contained in the report. Thus, the Board decision on the SAGSI report had been a purely procedural one. It was therefore inappropriate to speak, in operative paragraph 4 of the draft resolution, of using that report as the basis for "efforts towards improving the effectiveness and cost-efficiency of the safeguards system". Consequently, his delegation was willing to join a consensus on the draft resolution provided that the phrase "on the basis of the report by SAGSI and of the Board's deliberations in June" was deleted from paragraph 4.

34. Mr. McCRAE (Canada) said that the report by SAGSI had been very constructive as regards ways of reducing safeguards costs while meeting new requirements

and maintaining effectiveness. His delegation agreed with SAGSI's interim recommendations and looked forward to the results of the Agency's efforts to implement them. Not surprisingly, therefore, it was in favour of retaining the reference to SAGSI's report in the draft resolution.

35. Mr. TUNOLD (Norway) said that, in view of the likely increase in the quantity of nuclear material under safeguards, the continuous evaluation of safeguards operations was required. In that context, his delegation appreciated recent developments such as the moves to ensure the early provision of design information, the agreement on universal reporting schemes and the conclusion of partnership arrangements with EURATOM, and also current efforts to streamline the safeguards system. He urged the Secretariat and the Director General to continue their efforts along the present lines, taking account of the recommendations contained in the report by SAGSI.

36. Mr. ORNSTEIN (Argentina), expressing support for the Secretariat's efforts to strengthen the Agency's safeguards system, said that SAGSI's report was both positive and promising. His delegation therefore supported the original wording of operative paragraph 4 of the draft resolution.

37. Mr. NORDIN (Malaysia), commending the efforts which the Secretariat was making to enhance the effectiveness and efficiency of the safeguards system, said it was nevertheless important to remember that a balance had to be maintained between safeguards and the Agency's non-safeguards activities. He appreciated SAGSI's report, but thought that the Director General should take into account the technical, legal, political and staffing implications of SAGSI's proposals.

38. Finally, he asked whether the phrase "covering all nuclear materials and activities" in paragraph 4 might not usefully be replaced by more appropriate wording drawn from document INFCIRC/153.

39. Ms. ROCKWOOD (Legal Division) said in response that most comprehensive safeguards agreements provided for the application of safeguards to source or special fissionable material in all peaceful nuclear activities. Should the Committee wish to reflect

the scope of existing comprehensive safeguards agreements in the draft resolution, it would be better to refer to "all nuclear material in all peaceful nuclear activities".

40. Mr. CHO (Republic of Korea), expressing appreciation of the Director General's report, in document GC(XXXVII)/1073, said that SAGSI's recommendations - especially those relating to alternative safeguards approaches including new measures to enhance the Agency's ability to detect undeclared facilities and activities - would serve as a good basis on which the Agency could build. In the light of recent events, such as those involving Iraq and the DPRK, it was clear that measures for the detection of undeclared nuclear facilities and activities, including environmental monitoring, deserved prompt development and early implementation in order to ensure greater transparency and a high level of confidence as to the absence of undeclared activities. He therefore welcomed the Secretariat's planned actions and looked forward to concrete proposals from the Director General for the implementation of SAGSI's recommendations.

41. His Government was fully behind the efforts to strengthen the effectiveness and improve the efficiency of the Agency's safeguards system and thereby to reinforce the non-proliferation regime, which was currently meeting unprecedented challenges. He hoped that the efforts which the Agency had been making would be further intensified.

42. Mr. WALKER (Australia) urged all Member States which had not yet done so to conclude safeguards agreements with the Agency and those which had concluded such agreements to amend the subsidiary arrangements in order to allow for the early provision of design information. He also urged all Member States to participate in the universal reporting schemes which had been set up and to facilitate the work of inspectors by taking action with regard to designations and by extending the duration of inspectors' visas to two years, as had already been done by the Australian Government.

43. His delegation endorsed SAGSI's recommendations and shared SAGSI's view that safeguards had to be strengthened, particularly with regard to the development of means for detecting undeclared activities. His Government was already discussing with the Agency the possibility of conducting trials in Australia of some SAGSI proposals, and he hoped other Governments would take similar action.

44. Responding to speakers who felt that there should be no mention of SAGSI's report in the draft resolution, he said that the phrase "on the basis of" might suggest exclusivity. Perhaps it should be replaced by a formula such as "with the benefit of".

45. In conclusion, referring to the remarks which had been made by the representative of China about nuclear tests, he said that China had indeed sinned least in that regard. At the same time, he hoped those remarks did not presage a restart of testing and that China would continue to work together with other nations in trying to achieve a complete ban on nuclear tests.

46. Mr. BERANEK (Czech Republic), supporting retention of the reference to SAGSI's report, said he shared the views expressed in that respect by the representative of Australia.

47. The Czech Republic was ready to assist the Agency with field tests of some of the ideas put forward in SAGSI's report, and he hoped that the necessary discussions with the Agency would begin soon. His country had made an offer in that connection in 1992, but no concrete action had resulted.

48. Mr. VILAIN XIII (Belgium), noting the concern which had been expressed by some representatives with regard to the reference to SAGSI's report in the draft resolution, said that paragraph 4 of the draft resolution was a procedural paragraph and, in approving it, the General Conference would not be prejudging any actions of the Director General. However, his delegation would probably be able to go along with amending the phrase in question if a consensus could thereby be achieved.

49. The CHAIRMAN suggested suspension of the meeting in order to permit informal consultations on paragraph 4 of the draft resolution.

The meeting was suspended at 4.45 p.m. and resumed at 5.25 p.m.

50. The CHAIRMAN said that there appeared to be agreement on amending the phrase "on the basis of the report by SAGSI and of the Board's deliberations in June" to read "having the benefit of the report by SAGSI subject to the Board's deliberations" and on

amending the phrase "all nuclear material and activities" to read "all nuclear material in all peaceful nuclear activities".

51. He assumed that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(XXXVII)/COM.5/131 with those amendments to paragraph 4.

52. It was so agreed.

THE FINANCING OF SAFEGUARDS (GC(XXXVI)/RES/590, GC(XXXVII)/1063)

53. The CHAIRMAN invited the Chairman of the Informal Working Group on the Financing of Safeguards to introduce the report contained in the Annex to document GC(XXXVII)/1063.

54. Mr. VETTOVAGLIA (Switzerland) said that the report of the Informal Working Group required little introduction, as it had already been examined by the Board of Governors, which had decided to submit it to the General Conference.

55. As he had recently been assigned new tasks by his Government, he would like the chairmanship of the group to be entrusted to someone else, who - he hoped - would enjoy equally good relations with his colleagues in the group in dealing with the question of safeguards financing.

56. In 1992, the General Conference's request that the group continue its work had been conveyed in a resolution. At its current session, the Conference could perhaps convey a similar request by means of a resolution; that would dispense with the need for drafting, printing and translating a further resolution.

57. Mr. CAMPUZANO PIÑA (Mexico), thanking Ambassador Vettovaglia for his dedicated efforts as Chairman of the Informal Working Group, said he could go along with the idea of dispensing with a draft resolution on the understanding that, if the group made any recommendations for changing the present safeguards financing arrangements, those recommendations would be submitted to the General Conference for approval.

58. Mr. LAMPARELLI (Italy), expressing concern about the lack of progress in the Informal Working Group, said it had been due not to any failing on the part of the

group's very competent and efficient Chairman but to the complexity of the issues involved and a lack of good will on the part of some members. Italy was not satisfied with the present safeguards financing arrangements and would like the group to devise new, long-term arrangements - if possible, on the basis of proposals made by his delegation.

59. The CHAIRMAN assumed that the Committee wished to recommend to the Conference that it take note of the report contained in document GC(XXXVII)/1063 and that it request the Board of Governors to re-establish the Informal Working Group on the Financing of Safeguards.

60. It was so agreed.

61. The CHAIRMAN, on behalf of the Committee, thanked Ambassador Vettovaglia for the manner in which he had presided over the Informal Working Group and wished him every success in his new duties.

THE FINANCING OF TECHNICAL ASSISTANCE (GC(XXXVI))RES/591, GC(XXXVII)/1080 and Add.1, and GC(XXXVII)/COM.5/128)

62. Mr. CHO (Republic of Korea), speaking on behalf of the Group of 77, said that it was a widely held view in the group that the availability of predictable and assured resources for technical assistance would greatly help the Agency in successfully discharging one of its most important responsibilities. That was why the Informal Working Group on the Financing of Technical Assistance had been established.

63. Regrettably, however, it had not been possible to find a successor to the first Chairman of the group, which had accordingly not met during the past year in order to fulfil the mandate entrusted to it in 1992 by the General Conference in resolution GC(XXXVI)/RES/591.

64. Nevertheless, in view of the importance of the Agency's technical assistance activities, the Group of 77 considered that the Informal Working Group should be re-established, and the draft resolution in document GC(XXXVII)/COM.5/128 had been submitted for that purpose.

65. Mr. TABET (Algeria) said that the present situation regarding the financing of technical assistance was unsatisfactory. He hoped, therefore, that the Informal Working Group would be re-established and that it would identify acceptable new financing options.

66. The CHAIRMAN assumed that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(XXXVI)/COM.5/128.

67. It was so agreed.

PERSONNEL QUESTIONS (GC(XXXVII)/1071 and 1071/Corr.1)

(a) STAFFING OF THE AGENCY'S SECRETARIAT (GC(XXXVI)/RES/598, GC(XXXVII)/COM.5/129)

68. Mr. KIM (Republic of Korea), introducing the draft resolution contained in document GC(XXXVII)/COM.5/129, said that the Group of 77 had noted the Director General's efforts - evident from the report contained in document GC(XXXVI)/1071 - to increase the representation in the Secretariat of developing countries belonging to the group, but was disappointed that their representation nevertheless remained low. The improvements in recent years had been marginal.

69. The figures in the report showed that during the past four years there had been an increase of only 0.7% in the representation of countries belonging to the Group of 77 in the Professional and higher categories and an actual decline of 3.8% in the proportion of senior staff from those countries. It appeared, therefore, that the principle of equitable geographical representation enshrined in the Agency's Statute and affirmed by so many resolutions had not been fully observed.

70. In the draft resolution before the Committee, the Director General was requested to intensify his efforts to increase the number of staff members drawn from developing countries in the Secretariat, with a view to bringing about a substantial increase over the next four years.

71. Mr. GOESELE (Germany), having noted that from document GC(XXXVII)/1071 there appeared to have been a marked decline in the representation of

West European countries in the Secretariat, sought clarification on two points regarding the draft resolution. Firstly, with regard to preambular paragraph (e), he wondered whether the figures quoted related to all developing countries or only to those belonging to the Group of 77. Secondly, in relation to preambular paragraph (g), he wondered whether it was fair to claim that "the implementation of this resolution would not affect the due representation of any particular area"; after all, any increase in relative representation of one area was bound to affect that of at least one other area.

72. Paragraph 2 of the draft resolution contained the phrase "with due consideration for equitable geographical distribution", which echoed the provision in Article VII.D of the Statute that "due regard shall be paid to ... the importance of recruiting the staff on as wide a geographical basis as possible". Article VII.D contained other provisions also, including one relating to the "paramount consideration" in the recruitment and employment of the Agency's staff and in the determination of the conditions of service, but the draft resolution made no reference to any of them. In fact, unlike resolution GC(XXXVI)/RES/598 adopted in 1992, the draft resolution did not even mention Article VII.D. He felt it was important that the other provisions of Article VII.D should also be borne in mind.

73. Mr. LAMPARELLI (Italy), expressing support for the observations made by the representative of Germany, said that the representation of some West European countries had declined substantially.

74. With regard to Italy's representation, he said that, although Italy was shown in document GC(XXXVII)/1071 as having a total of 19 posts in the Professional and higher categories, it had to be remembered that some of those posts were at the Trieste Centre, which was 95% financed by Italy. Furthermore, under the new arrangements agreed upon with UNESCO and the Italian Government, the staff members in question were to become UNESCO staff members, which would further reduce Italy's representation on the staff of the Agency's Secretariat.

75. Mr. PROKHORENKOV (Russian Federation) said that, in order to increase staff rotation, the Agency should award fewer long-term contracts to its Professional staff.

76. Mr. NOGUEIRA VIANA (Brazil) said that his delegation, for one, would appreciate some clarification from the Secretariat regarding the different factors, such as population and contributions to the Agency's Regular Budget, involved in determining the number of posts to which individual Member States were entitled.

77. Also, he associated himself with what the representative of Germany had said regarding preambular paragraph (g) of the draft resolution.

The meeting rose at 6 p.m.