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Chairman: Mr. AYATOLLAHI (Islamic Republic of Iran)

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[*] GC(40)/22.

The composition of delegations attending the session is given in document GC(40)/INF/13/Rev.2.

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Abbreviations used in this record

Assistance Convention	Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency
Early Notification Convention	Convention on Early Notification of a Nuclear Accident
ICTP	International Centre for Theoretical Physics (in Trieste)
PPAS	Programme Performance Assessment System
TCF	Technical Co-operation Fund
UNESCO	United Nations Educational, Scientific and Cultural Organization
WCF	Working Capital Fund

ELECTION OF VICE-CHAIRMEN AND ORGANIZATION OF WORK

1. The CHAIRMAN, after thanking the General Conference for the confidence it had placed in him by electing him Chairman of the Committee of the Whole, suggested that the Committee begin with the election of the Vice-Chairmen. Following consultations between various groups, it had been proposed that Mr. Gregorič (Slovenia) and Mr. Papadimitropoulos (Greece) be elected as Vice-Chairmen of the Committee of the Whole. If there were no objections, he would take it that the Committee wished to elect Mr. Gregorič and Mr. Papadimitropoulos as Vice-Chairmen.

2. It was so decided.

3. The CHAIRMAN drew the Committee's attention to document GC(40)/COM.5/1, which listed the agenda items referred to the Committee of the Whole by the General Conference. He proposed that, as far as possible, the Committee take the items in the order in which they appeared in that document.

4. It was so decided.

5. The CHAIRMAN proposed that, in line with past practice, he would report orally to the Conference at a plenary meeting on the Committee's deliberations, which would also be the subject of detailed summary records.

6. It was so decided.

THE AGENCY'S ACCOUNTS FOR 1995 (GC(40)/9)

7. The CHAIRMAN said that the Board of Governors, having examined the Agency's accounts in June 1996, had submitted to the General Conference for consideration the draft resolution on page II of document GC(40)/9.

8. Mr. KOCH (Germany) said that the fact that the audit opinion on the Agency's 1995 financial statement was once again without reservation was indicative of the high quality of the Secretariat's work in the area.

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9. Document GC(40)/9 contained much significant information. In particular, he noted that the surplus shown under investment and interest income in Statement I.B indicated that the actual receipts of interest in 1995 were 6.8 times higher than estimated. The External Auditor's comments on the findings from the 1995 audit and on the follow-up of matters raised in prior years' reports contained a number of constructive recommendations which should be taken into account by the Director General and the Policy-making Organs in order to increase the Agency's efficiency and effectiveness.

10. Finally, he commended the External Auditor on the excellent work that he and his staff had done and proposed that a sentence thanking the Auditor General of Canada for the high standard of work he had performed as External Auditor of the IAEA from 1990 to 1995 be added at the end of the draft resolution to be recommended to the General Conference.

11. Mr. GUE (France), Mr. JAMEEL (Pakistan), and Mr. HAMADA (Tunisia) endorsed the proposal put forward by the representative of Germany.

12. Mr. PECSTEEN (Belgium), having expressed his delegation's support for the proposal put forward by the representative of Germany, said that the External Auditor's final report had identified several areas where savings could be made. While he welcomed the Agency's responses to the majority of the suggestions made by the External Auditor, he noted that they were not very specific. It was his understanding that the Secretariat had, the previous year, promised to provide more detailed responses and he called upon the Secretariat to do so, particularly with regard to those areas where action could be taken during preparation of the budget for 1998.

13. Mr. DUERDEN (Australia), supporting the adoption of document GC(40)/9, expressed appreciation of the Secretariat's efforts to maintain programme delivery through what had been an extremely difficult period. He commended the work accomplished over the previous six years by the Canadian External Auditor, whose reviews and suggestions had been very valuable, and endorsed the proposal made by the representative of Germany.

14. He welcomed the Agency's receptiveness to scrutiny and suggestions for improvements to increase the effectiveness and efficiency of its operations and agreed with the External Auditor that the Agency continued to make satisfactory progress in implementing the recommendations of previous audits. He was also pleased to note the introduction of a revised set of travel rules which should ensure that benefits accruing to individuals in the course of duty, such as frequent flyer points, would be used by the Agency. He expected that full account would also be taken of the External Auditor's recommendations concerning the Secretariat's information technology and human resources policies and looked forward to the expected efficiency dividend that should result from the introduction of information technology throughout the Agency.

15. Mr. PAPADIMITROPOULOS (Greece), having expressed support for the German proposal, said that the work of the External Auditor had been very useful and had touched upon a number of issues related to management and savings. Work should continue in that field and he urged the Secretariat to endeavour to seek ways of implementing the External Auditor's findings.

16. Mr. YAMANAKA (Japan), noting that the External Auditor's report was extremely useful, endorsed the proposal made by the representative of Germany and urged the Secretariat to take the report into account and make every effort to effect savings in the future.

17. Mr. HERRERA ANDRADE (Mexico) commended the External Auditor on his work over the previous six years, which had enabled the Secretariat to effect savings and redistribute resources, and expressed support for the proposal put forward by the representative of Germany.

18. Having expressed appreciation to the Secretariat for the clarity of document GC(40)/9 and welcomed the increase in the implementation of activities in 1995 with respect to 1994, he said that his delegation had been pleased to note that the difference between the targets and pledges for voluntary contributions to the TCF was US \$2.3 million less in 1995 than it had been in 1994. That improvement was indicative of Member States' greater commitment to the Agency. He was also pleased

that the Agency was taking action on almost all of the observations and recommendations, particularly those pertaining to human resources management, that had been made by the External Auditor in his 1994 report. Furthermore, he welcomed the three objectives to be achieved by Agency-wide information technology planning.

19. With regard to the procurement of goods and services, he suggested that the Procurement Authorization Committee should carry out a review of its policies taking account of the External Auditor's recommendations to reduce administrative costs and that it should present its findings to the Board of Governors.

20. Finally, he asked why paragraph I.3 of the introduction to document GC(40)/9 indicated that statements for the International Centre for Theoretical Physics would appear in the Agency's accounts for the last time, while document GC(40)/10 stated that the Agency's contribution to the ICTP (subprogramme G.3) would remain at the previous level and Table 25 of that document showed the Regular Budget estimates for that subprogramme for 1996, 1997 and 1998.

21. Mr. NEVE (United Kingdom), having commended the excellent work of the External Auditor over the previous six years, expressed his support for the German proposal. The Auditor General of the United Kingdom, who was to be the next External Auditor, would no doubt make every effort to live up to the standards of his Canadian counterpart. He had noted with interest that the External Auditor had identified a number of areas where further efficiency gains might be possible and, while he had been pleased to observe the Secretariat's positive response to a number of specific points raised in the report, he stressed the need to study all the recommendations for further savings and to take appropriate action.

22. Mr. TITKOV (Russian Federation), having endorsed the proposal made by the representative of Germany, said that he hoped that the Secretariat would take the External Auditor's recommendations into account.

23. Mr. ÖZERDEN (Turkey) supported the proposal by Germany to include a sentence expressing appreciation of the External Auditor's work in the draft resolution

and emphasized that the Secretariat should use the External Auditor's report as a basis for implementing cost-saving measures.

24. Mr. OKONKWO (Nigeria), having welcomed the German proposal, said that his delegation was satisfied with the Agency's accounts for 1995 and the External Auditor's conclusion that in all significant respects the transactions of the Agency had been in accordance with its Financial Regulations and legislative authority.

25. However, while the Agency's efforts to make substantial savings, particularly in respect of travel arrangements were commendable, there was clearly room for further savings in its programmes, as the External Auditor had stated. The section of his report entitled "Reflections and Future Direction" was very useful and the Secretariat should study it carefully in taking steps to improve the Agency's financial management.

26. Mr. MACKINNON (Canada) said that his delegation would be pleased to pass on to the External Auditor the sentiments expressed by the Committee and thanked delegations on behalf of the External Auditor for their good wishes and the importance they attached to his recommendations.

27. Mr. NASSER (Egypt) associated himself with previous speakers in their expressions of appreciation for the efforts and quality of the External Auditor's work over the years and supported the suggestion to include a sentence in the draft resolution in that connection. He congratulated the Secretariat on its excellent accounts for 1995 and urged it to implement all the External Auditor's recommendations.

28. Mr. ESPINO (Director, Division of Budget and Finance) said that the Secretariat would take due regard of the Committee's comments, particularly on the advisability of acting upon the External Auditor's recommendations.

29. Replying to Mexico's point concerning the ICTP, he said that more details would be given in the 1998 budget where the Centre would probably be treated as a separate programme or subprogramme. However, as it was the responsibility of UNESCO, details concerning staff and other items of expenditure would best be prepared by that organization.

30. The CHAIRMAN said that he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page II of document GC(40)/9, with the addition of a second paragraph which would read:

"Thanks the Auditor General of Canada for the high standard of work he performed as External Auditor of the Agency from 1990 to 1995."

31. It was so decided.

THE AGENCY'S PROGRAMME AND BUDGET FOR 1997 AND 1998 (GC(40)/10, GC(40)/INF/12)

32. The CHAIRMAN drew the Committee's attention to Annex I of GC(40)/10, which comprised three draft resolutions recommended by the Board for adoption by the General Conference. In addition, document GC(40)/INF/12 might be helpful in the consideration of the first draft resolution.

33. Mr. MACKINNON (Canada) said that Canada supported the 1997 budget because it believed that the Agency performed a vital security role and could not be expected to function without a budget, especially at the present critical juncture when the safeguards system was being reformed. It was nevertheless regrettable that the budget failed to identify further savings in administration and support costs and that the Agency's efforts so far to achieve greater efficiencies through streamlining the administrative budget had not been more successful.

34. Canada favoured transparency in budgeting and thus agreed with the adjustment to investment income to reflect more accurately the anticipated revenues. It expected that greater transparency to continue.

35. While considerable savings had already been made by the Secretariat, further progress was needed and the measures highlighted by the External Auditor to achieve greater savings without affecting programme delivery should therefore be incorporated in 1997. With the recently proposed zero nominal growth budget for 1998-1999, the United Nations budget had maintained the same nominal dollar figure for six years. It would be desirable for the Agency's next budget to be close to zero nominal growth as well.

36. Mr. KOCH (Germany), having pointed out for clarification that document GC(40)/INF/12 indicated that the Regular Budget appropriation figure based on the most up-to-date dollar/schilling exchange rate would be a total of \$262 631 000 rather than \$221 992 000 as indicated in Annex I of document GC(40)/10, said that all Member States were facing similar financial constraints. In Germany's case, the need to economize had resulted in a reduction in its 1997 federal budget of 2.5% in nominal terms compared with that of 1996. A different policy in the international organizations was therefore unacceptable, particularly in the light of the view shared by many Governments that all international institutions should be encouraged to formulate and implement plans to make significant reductions in operating costs in the coming years in order to be prepared for the challenges of the twenty-first century.

37. A number of United Nations specialized agencies had reacted responsibly by adopting budgets for 1996-97 which presented no nominal growth, and in some cases budgets that were below their 1994-95 levels. The nominal reduction in the budget for 1998-99 presented by the United Nations Secretary-General had therefore caused no surprise. The Agency might have been expected to follow the same pattern, but in fact the Regular Budget for 1997 represented an increase of over 1.8%, including 0.9% real growth.

38. Table 64 in Annex VII of document GC(40)/10 showed an expenditure increase for the salaries of established Professional posts of almost \$2.2 million, equivalent to 4.6% real growth, and 0.6% real growth in General Service salaries. Those increases were the result of new posts or reclassifications. Table 67 in Annex VIII showed the staffing table only for 1997. It would be useful in future years to have an additional line showing the staffing figures for the current year for the purposes of comparison. The corresponding table in the programme and budget for 1995 and 1996 showed a net increase of 29 Professional posts, equivalent to an increase of 4%. That increase was remarkable in the light of the reduction of 1500 posts, or 15%, at the United Nations Headquarters in New York over the two budget periods from 1996 to 1999. That decrease was a good example of the clear trend in the entire United Nations

family of organizations, which the Director General should take into account in preparing the draft budget for 1998.

39. In the light of the \$3.8 million surplus in investment and interest income for 1995 and the \$3.9 million surplus for 1994, he questioned the appropriateness of the figure of \$2.55 million for investment and interest income included for 1997. That figure was clearly an underestimate, despite the fact that it was \$1.9 million higher than the original estimate of \$0.65 million, and could have been set at \$3.5 million without risk. The assessments of Member States for 1997 would consequently be higher than necessary. The German Government would insist on a more realistic estimate for interest income for the 1998 budget.

40. The German delegation had already explained its Government's dissatisfaction with the proposed level of the Working Capital Fund, both in the Administrative and Budgetary Committee and in the Board of Governors. An increase of \$2 million placed an additional financial burden on those Member States which paid their contributions to the Agency, but could not offset the \$103 million outstanding Regular Budget contributions for 1996 as at 13 September 1996 indicated in document GC(40)/INF/11. No increase in the WCF could ever replace Member States' obligations to pay their assessed contributions. The German Government would oppose any further increase in the WCF in the near future.

41. Mr. DUERDEN (Australia) said that his delegation was in favour of adopting the programme and budget for 1997 and supported the Secretariat's method of financing increased safeguards measures and two additional non-safeguards projects in the 1997 budget by an upwards revision of investment income and cuts in administration and General Services. It also endorsed the comments made by the German delegation regarding investment income.

42. The Agency should intensify its efforts to find innovative ways of identifying efficiencies in order to reduce its future expenditure on administration and overheads, as identified by the External Auditor in his report for 1995. In particular the use of internal evaluation processes was to be encouraged, such as the PPAS, to set

programme objectives, design activities and assess the priority allocated to individual programmes.

43. The Australian delegation reiterated its own and other delegations' calls on all Member States to meet their assessed contributions to the Regular Budget and Technical Co-operation Fund in full and on time. The Agency's cash problems were caused by delays in the payment of contributions to the Regular Budget by some Member States and the Agency should not have to resort to maintaining a large Working Capital Fund because of those arrears. The payment of those arrears would be the fairest and simplest solution to the Agency's financial difficulties. Some measure of stability in respect of the level of financial contributions also enabled Member States to assess whether or not the Agency was exercising real discipline in the management and operation of its programmes and activities.

44. Mr. HERRERA ANDRADE (Mexico) pointed out that although his delegation shared the concerns expressed by Germany and would not welcome further similar increases in the WCF, it could support the budget document in its present form.

45. While it appreciated the information in paragraphs 20 and 21 of the Introduction to document GC(40)/10 on programme activities that had been discontinued or accorded reduced resources and on programme areas that had been strengthened as a result of savings and redeployment of resources, it was concerned at the way in which the resources resulting from such savings had been redistributed. Preference was still given to radiation and waste safety under Major Programme 3, whereas the increase in the allocation for technical co-operation was less than the increase for policy-making, co-ordination and support under Major Programme 6.

46. Finally, he joined Australia in appealing to all Member States not only to pay their assessed contributions to the Regular Budget, but also to pledge their voluntary contributions to the TCF.

47. Mr. FU Manchang (China) said that although the Agency's 1997 budget had broken the zero-growth barrier, the Secretariat's revised estimate of investment income had meant that the assessed contributions of Member States had not increased,

and China could therefore support the proposed budget. However, it still believed that the principle of zero real growth should be adhered to in future budgets. It also continued to be concerned at the imbalance in the distribution of funds between safeguards activities and promotional activities, and hoped that that imbalance was only a temporary phenomenon.

48. Mr. MANNINEN (Finland) noted that Finland had not hitherto been a supporter of zero real growth as such. Indeed, there was sometimes good reason to depart from it, for instance to provide additional resources for Programme 93+2. The Agency's proposed programme should be studied on its own merits, and funding for it then decided on in the light of national budgetary constraints.

49. Although the Secretariat had introduced some measures for reviewing the programme, for example the Medium Term Plan, more should be done to identify programme components which were either fully matured or else no longer fell within the Agency's statutory responsibilities. A gradual phasing out of such activities would make room for urgently needed new activities, without increasing the budget as a whole.

50. Mr. PECSTEEN (Belgium) pointed out that for a number of years Belgium had defended zero real growth as a basic principle of budgetary discipline, and it was therefore disappointed to note that the 1997 budget did not respect that principle. His delegation had hoped that, despite the justified increase in spending on safeguards, it would have been possible to comply with zero real growth, notably by savings in the area of administration. The fact that almost \$1 million had recently been found within the present budget to finance the work of the committee on the Programme 93+2 proposals¹ confirmed Belgium's view that not all opportunities for savings had yet been exploited.

51. Although he could go along with the consensus on the budget proposals, he believed that failure to respect the principle of zero real growth should remain the

¹ COM.24.

exception to the rule and would strongly urge the Secretariat to aim for a 1998 budget which at the very least respected that principle and if possible came near to zero nominal growth. He shared the views of Germany with respect to the estimates of investment income and the WCF.

52. Mr. YAMANAKA (Japan) said that Japan could approve the budget proposals for 1997, but without great enthusiasm. Efforts on the Secretariat's part to achieve further savings, particularly in the field of administration, and to achieve further streamlining should be continued. The principle of zero real growth should be upheld as far as possible, and departed from only when all savings were exhausted or when a new programme justified new expenditure. He urged the Secretariat to return to that principle for the 1998 budget.

53. Mr. PAPADIMITROPOULOS (Greece) said he failed to see any substantive economies in the 1997 budget, notably where administration was concerned. The principle of zero real growth should continue to apply, together with the principle of proper distribution of funds between the various programmes, and the Secretariat should take into consideration the budgetary constraints of Member States.

54. Subject to those comments, Greece could support the budgetary proposals because it believed that the Agency should be enabled to continue its operations, particularly in areas of paramount importance such as safeguards, nuclear safety, and radioactive waste disposal. Nevertheless, the Secretariat should make every effort to economize.

55. Finally, he endorsed the comments made by Germany regarding the WCF, the regular increases in which affected Member States' contributions.

56. Mr. Chan Ho HA (Republic of Korea) recognized that an increase in budgetary allocations for safeguards was unavoidable if the Agency was to discharge its duties in that field. If no further savings were possible, Korea could agree to the increase above zero real growth as an exception. Likewise, Korea recognized the need for the Secretariat to have a cash flow sufficient to ensure uninterrupted

implementation of approved programme activities, and it could therefore endorse the proposal to increase the WCF to \$18 million.

57. Subject to those comments, he could approve the proposals for the 1997 budget contained in document GC(40)/10.

58. Mr. MULTONE (Switzerland) said that since Switzerland, like many other countries, was facing a decline in resources, it was opposed to any increase in the Agency's budget, even when that increase was offset by a reassessment resulting from unduly prudent budgeting in some areas. The costs to Member States of the budget for 1997 would be greater than in 1996 and while his delegation could accept the budget for 1997, it strongly urged the Secretariat to use the 1996 budget as a basis when presenting the budget for 1998. The contributions of Member States for 1998 should remain the same in real terms, and even in nominal terms, as those of 1996. As to the increase in the WCF, he believed that other ways should be found of overcoming periodic financial difficulties and he supported the statements made by Canada and Germany in that regard.

59. Ms. BOGLE (New Zealand), having joined other speakers in urging countries to pay their assessed contributions promptly, said that although New Zealand was committed to the principle of zero real growth in United Nations organizations, it recognized that the Agency now had increased responsibilities in the safeguards area for which resources had to be found, and it could therefore support the 1997 budget proposals.

60. Mr. GUE (France), while supporting the proposals contained in the document, urged the Secretariat to continue its efforts to make savings, notably by taking the fullest possible account of the External Auditor's recommendations.

61. Mr. RAGHURAMAN (India) commended the Secretariat on its success in streamlining and reforming management and in generating savings. He was confident that it would take into account the suggestions made by the External Auditor. While approving the proposed budgetary increase, which was attributed to an anticipated

growth in expenditure on safeguards, he wished to remind the Agency of the need for a proper balance between promotional and safeguards activities.

62. Mr. NEVE (United Kingdom) said his delegation could agree, albeit somewhat reluctantly, to the proposed programme and budget for 1997, because of the importance his country attached to the measures for the strengthening of safeguards under Programme 93+2, as well as to the efficient implementation of existing safeguards obligations. However, it believed that substantial savings could still be made in the field of administration, and he therefore expected that in the 1998 budget proposals there would be a return to zero real growth, or less.

63. Mr. JAMEEL (Pakistan), having urged all Member States to pay their contributions to the Regular Budget, as well as to the TCF, fully and on time, said that despite his country's opposition to any selective departure from zero real growth and its concern about the increased imbalance between promotional and safeguards activities, it could join the consensus in support of the budget proposals.

64. Mr. OKONKWO (Nigeria) expressed support for the 1997 budget proposals and welcomed the improved presentation of the budget document. Although he noted that the effect of the proposals was that Member States' assessment would remain at the 1996 level, the Secretariat should take into account the budgetary constraints facing Member States, as well as the External Auditor's recommendations. Welcome steps had been taken to achieve savings in staff travel costs, printing and procurement, but further efforts in that direction were needed.

65. While Nigeria supported an increase in expenditure on safeguards, it would urge that, in future, resources be distributed so as to avoid obvious disadvantage to any of the Agency's other activities. In that respect, he joined other speakers in urging all Member States to honour their pledges to the TCF.

66. Mr. KEMPEL (Austria) also supported the 1997 budget proposals. While zero real growth was a desirable goal, it had to be seen in the context of the growing number of tasks confronting the Agency, as well as of the problem of late payments. At the same time, he was confident that the Secretariat would comply with the

External Auditor's recommendations and that it would take any necessary steps to make an already lean management even leaner.

67. Mr. ELYSEU FILHO (Brazil) was disappointed that the budget had departed from zero real growth and believed there was room for further savings. He also felt that the increase in the WCF was unjustified and that there should be no further increases in the near future. Brazil could join the consensus on the 1997 budget proposals only on the understanding that the departure from zero real growth would be an exception to the rule.

68. Mr. HAMADA (Tunisia) associated his delegation with the statement made by Pakistan and appealed to the Secretariat to maintain a balance between the Agency's various activities.

69. Mr. KOÇ (Turkey) endorsed the proposed budget for 1997, even with the increase due to the extra resources necessitated by Programme 93+2. In general, however, Turkey supported the principle of zero real growth and thought it should be applied to the 1998 budget.

70. Ms. GOUZERCHOUK (Ukraine) supported the 1997 budget. Unfortunately, her country's economic problems had not enabled it to cover all its commitments to the Regular Budget, but, bearing in mind the Agency's difficult financial situation, Ukraine was doing its best to fulfil its financial obligations. It had paid \$4.9 million to the Regular Budget in 1996, thereby settling its debts for 1993, 1994 and part of 1995. Ukraine remained committed to the principle of zero real growth and believed that the Agency's principal activities should be financed from the Regular Budget.

71. Mr. TATAH (Algeria) stressed the need for balance between funding for safeguards activities and the financing of technical co-operation in the various applications of nuclear technology and energy, which was an equally important enterprise. Algeria hoped that, through the efforts of Member States, the Agency would achieve the target that had been set for voluntary contributions to the TCF.

72. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt draft resolutions A, B and C set out in Annex I to document GC(40)/10.

73. It was so decided.

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE REGULAR BUDGET (GC(40)/12)

74. Mr. KOCH (Germany), supported by Mr. GUE (France), Mr. TITKOV (Russian Federation) and Mr. RAGHURAMAN (India), endorsed the draft resolution contained in document GC(40)/12.

75. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page 3 of document GC(40)/12 and the Annex thereto.

76. It was so agreed.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY (GC(40)/INF/4, 5, 9 and Add.1; GC(40)/COM.5/2 and 3)

77. The CHAIRMAN drew attention to document GC(40)/INF/4 on the study of the radiological situation at the atolls of Mururoa and Fangataufa; document GC(40)/INF/5 on measures to strengthen international co-operation in nuclear, radiation and waste safety; document GC(40)/INF/9, which contained a report on the work of the Standing Committee on Liability for Nuclear Damage since the previous year's General Conference; and document GC(40)/INF/9/Add.1, which contained the summary record of the discussion in the Board of Governors on the item at its meeting on 9 September 1996. In addition, document GC(40)/COM.5/2 contained a draft resolution submitted by Ghana, Mexico, the Philippines and Turkey and document GC(40)/COM.5/3 contained a draft resolution on the Nuclear Safety Convention submitted by 29 Member States.

78. Mr. MAFFEI (Argentina) said his delegation had taken note of document GC(40)/INF/5 and was grateful to the Secretariat for the extensive information provided therein on measures to strengthen international co-operation in nuclear, radiation and

waste safety. Part A of the Attachment to that document referred to legally binding international safety agreements, an area in which the Secretariat had an important but minor role to play, since it was Member States, and not the Agency, that became party to such agreements. Parts B and C of the Attachment covered the Agency's statutory responsibilities, namely for the establishment of non-binding international safety standards and the provisions required for their application.

79. Referring to Part A, he said that Argentina was party to the Convention on the Physical Protection of Nuclear Material, as well as to the Early Notification and Assistance Conventions, and was pleased that in the past year, no event had occurred that had caused action to be taken under the latter two Conventions.

80. Argentina welcomed the fact that a sufficient number of States had ratified the Convention on Nuclear Safety for it to enter into force on 24 October 1996. Having signed the Convention, his country was advancing rapidly with the ratification process. He welcomed the progress made in the meetings of the open-ended group of experts working to prepare a convention on the safety of radioactive waste management. Argentine experts had actively participated in the work of that group.

81. Turning to Part B of the Attachment to the document, he said his Government had noted with satisfaction that, for the first time since the Agency's inception, a framework for compliance with the Secretariat's obligations under Article III.A.6 of the Statute had been created. The establishment of the Advisory Commission for Safety Standards, in which his country was participating, and of the four advisory groups that would revise the standards, augured well for improvements in the Agency's safety standards programme in the years ahead. Referring to paragraph 43, which described the Secretariat's efforts to facilitate access of interested parties to the Agency's safety standards, he said the Secretariat should use all available resources, including electronic communication techniques, to disseminate those standards, but noted that the Agency's pricing policy was incompatible with its obligations to ensure their widespread distribution: that discrepancy should therefore be remedied immediately.

82. Annex C-6 to document GC(40)/INF/5 contained important information on radiological assessments, an area in which the Agency was becoming increasingly involved. One such assessment described in document (GC(40)/INF/4) was the study of the radiological situation at the atolls of Mururoa and Fangataufa, in which his Government was actively participating. It could serve as an example of activities the Agency could usefully perform to benefit its Member States.

83. Referring to the administrative points raised in paragraph 7 of document GC(40)/INF/5, he said the establishment of a Department of Nuclear Safety was a positive development: indeed it should have been done a long time ago. The Secretariat's decision to review the safety programme with the assistance of experts from Member States was likewise welcome. His Government had participated in the first review, carried out in July 1995, and was committed to helping with the second review, scheduled for January 1997.

84. With those comments, his delegation endorsed the proposal that the Secretariat should be requested to prepare for 1997 a document similar to GC(40)/INF/5.

85. Mr. OKONKWO (Nigeria) welcomed the imminent entry into force of the Convention on Nuclear Safety and thanked the Secretariat for its assistance in preparing the issues for consideration by the preparatory meeting of the Contracting Parties. Nigeria had been among the first signatories to the Convention, in September 1994, and was undertaking steps towards its ratification.

86. Nigeria was encouraged by the progress made by the open-ended group of experts on the draft convention on the safety of radioactive waste management and hoped that that group would work conscientiously to achieve substantial progress on the outstanding issues at the meeting to be convened in South Africa.

87. Mr. DUERDEN (Australia) said that his Government continued to support the Agency's involvement in activities relating to the establishment and adoption of nuclear safety and radiation protection standards. Australia was pleased that the Board of Governors had recently approved the revised Regulations for the Safe Transport of Radioactive Material, and welcomed the progress made in negotiations on

the draft convention on the safety of radioactive waste management, which it hoped would allow a diplomatic conference to be held in 1997.

88. Australia was also pleased with the growing number of signatories to the Convention on Nuclear Safety. For its part, his country was currently engaged in the necessary processes to enable ratification to take place by the end of 1996, so that it could attend the preparatory meeting of Contracting Parties. It looked forward to the widest possible adherence to the Convention, particularly by all States which had nuclear installations in operation, and requested the Secretariat to provide support to the Contracting Parties and the signatory States in the preparations for implementation of the Convention.

89. His Government welcomed the Agency's report on the study of the radiological situation at the atolls of Mururoa and Fangataufa contained in document GC(40)/INF/4 and was grateful to the Government of France for supporting that study.

90. With regard to the draft resolution contained in document GC(40)/COM.5/2, his delegation had a number of amendments to propose, which it would gladly discuss with interested delegations.

91. Mr. BOSMANN (Netherlands) said that he was very pleased that the Convention on Nuclear Safety was to enter into force in October 1996 and noted that the Netherlands expected to ratify that instrument in time to participate in the preparatory meeting to be held before the end of April 1997. The pre-preparatory meetings had done very useful work and had narrowed significantly the number of issues remaining for solution at the preparatory meeting.

92. The Netherlands had actively participated in the work of the open-ended group of experts responsible for elaborating a draft convention on the safety of radioactive waste management. The group's first three meetings had been promising, the fourth less so, but the recent discussions on the position of spent fuel under the convention, might have paved the way for agreement on outstanding issues at the fifth meeting to be held in South Africa.

93. The Netherlands had been pleased to see that the Board of Governors had endorsed the revised Regulations for the Safe Transport of Radioactive Material and hoped that they would soon be used as the basis for national and international regulations. His country would remain active in its efforts to improve the safety of transports of radioactive material.

94. It appeared that the long period of negotiations on a revised regime for liability for nuclear damage would soon end in success. It was to be hoped that that optimism was justified and that only one more meeting of the Standing Committee on Liability for Nuclear Damage was required to prepare for a diplomatic conference in the second half of 1997.

95. Ms. BOGLE (New Zealand) thanked the Secretariat for the wide-ranging information contained in the documents under the item. She welcomed the imminent entry into force of the Convention on Nuclear Safety and supported the draft resolution contained in document GC(40)/COM.5/3. She was also pleased to see the continued progress in the drafting of a convention on the safety of radioactive waste management and in the revision of the Vienna Convention on Civil Liability for Nuclear Damage. It was to be hoped that those negotiations would soon be concluded and lead to reliable assurances of compensation for victims of transboundary damage. It was essential that the legal regime should attract widespread adherence from States both with and without nuclear facilities and that it should incorporate environmental damage within its scope.

96. One matter of concern in the South Pacific region was the shipment of nuclear material, including plutonium and radioactive waste, by sea, and in that connection, she welcomed the Board's adoption of the revised Regulations for the Safe Transport of Radioactive Material.

97. She also welcomed the initiation of the study of the radiological situation at the atolls of Mururoa and Fangataufa, a study in which her country was participating fully.

The meeting rose at 1 p.m.