

# General Conference

**GC(47)/COM.5/OR.1**

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## Forty-Seventh (2003) Regular Session

# Committee of the Whole

## Record of the First Meeting

*Held at the Austria Center Vienna on Tuesday, 16 September 2003, at 10.50 a.m.*

**Chairman:** Mr. GARCIA (Philippines)

### Contents

Item of the agenda*	Paragraphs
- Election of Vice-Chairmen and organization of work	1 - 7
8 The Agency's Accounts for 2002	8 - 9
9 The Agency's Programme and Budget for 2004-2005	10 - 27
11 Scale of assessment of Members' contributions towards the Regular Budget	28 - 29
12 Restoration of voting rights	30 - 34
17 Strengthening the effectiveness and improving the efficiency of the safeguards system and application of the Model Additional Protocol	35 - 53
13 Measures to strengthen international co-operation in nuclear, radiation and transport safety and waste management	54 - 89

[\*] GC(47)/21.

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The composition of delegations attending the session is given in document GC(47)/INF/14/Rev.2.

03-05281 (LXII)

**Abbreviations used in this record:**

APCs	Assessed programme costs
Joint Convention	Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review and Extension Conference	Review and Extension Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
TCF	Technical Co-operation Fund

## **- Election of Vice-Chairmen and organization of work**

1. The CHAIRMAN, having expressed appreciation for the confidence which the General Conference had placed in him, said that, as provided for in Rule 46 of the Rules of Procedure and following group consultations, it had been proposed that Ms. Stokes of Australia and Mr. Vacek of the Czech Republic should serve as Vice-Chairmen of the Committee. He took it that the Committee wished to endorse the nominations of Ms. Stokes and Mr. Vacek.

2. It was so agreed.

3. The CHAIRMAN drew attention to document GC(47)/COM.5/1, which listed the agenda items referred to the Committee of the Whole by the General Conference.

4. The representative of KUWAIT said that, as she had stated in the General Committee, she questioned the wisdom of discussing the item "Amendment to Article VI of the Statute" at the current session of the General Conference.

5. The CHAIRMAN proposed that, in line with past practice, he report orally on the Committee's deliberations at a plenary meeting of the Conference.

6. He took it that the Committee wished the practice of clustering, to the extent practicable, the draft resolutions recommended to the Conference by the Committee for adoption to be continued.

7. It was so agreed.

## **8. The Agency's Accounts for 2002 (GC(47)/4)**

8. The CHAIRMAN, noting that no Committee members wished to take the floor, assumed that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page I of document GC(47)/4.

9. It was so agreed.

## **9. The Agency's Programme and Budget for 2004-2005 (GC(47)/3; GC(47)/INF/7; GC(47)/INF/12; GC(47)/INF/13)**

10. The CHAIRMAN drew attention to document GC(47)/INF/7, which contained the report to the Board of Governors by the Co-Chairmen of the Informal Open-ended Working Group on the Programme and Budget for 2004-2005, plus the Board Chairman's conclusion setting out the action taken by the Board on 18 July 2003 following its consideration of that report. The Board's approval of

the package proposal made in the report had been subject to approval by the General Conference of those relevant measures included in the package proposal which fell within its purview.

11. The Board had recommended that the Conference approve: a total Regular Budget figure for 2003 of US \$268 534 000 on the basis of an exchange rate of €0.9229 to \$1.00; a target for voluntary contributions to the TCF for 2004 of \$74 750 000; and maintenance of the level of the Working Capital Fund in 2004 at \$18 million.

12. The Board had also recommended to the General Conference that de-shielding begin by 1 January 2006 for Category 1 Member States and by 1 January 2008 for all other shielded Member States, with States members of the Group of 77 included in Category 1 being considered by the Secretariat to be members of Category 2. For that purpose, the Committee had before it in document GC(47)/COM.5/L.1 a draft resolution entitled "The Financing of Safeguards".

13. The representative of JAPAN said that his delegation was pleased that the safeguards budget for 2004-2005 was at the level agreed upon as being necessary, with increased efficiency, in order to strengthen the Agency's safeguards activities. However, the efficiency with which those activities were carried out should continue to be the subject of examination with a view to limiting as far as possible the financial burden on Member States. Japan was looking forward to the early introduction of integrated safeguards and hoped that it would lead to further efficiency increases.

14. With regard to Regular Budget contributions, many Member States were doing their best to fulfil their obligations in spite of severe financial constraints. Japan - one of those Member States - believed that the budgets of international organizations should be kept to the minimum level necessary and that in the case of the Agency every effort should be made by the Secretariat to achieve zero nominal budgetary growth through increased efficiency and greater savings.

15. With regard to the package proposal, it had been approved by the Board in July but his delegation believed that the principles underlying the Regular Budget and the TCF should be upheld.

16. It was extremely regrettable that the TCF rate of attainment was not being realized. His country, which had consistently paid its full TCF target share, could not help having doubts about the seriousness of the commitment of some other Member States as regards supporting the Agency's technical co-operation activities. Unless the situation improved fundamentally, Japan would have to review its policy of consistently paying its full TCF target share.

17. Japan, which would like to see an early solution of the problem of APC arrears, could not accept the idea of the obligation to pay APC arrears being cancelled.

18. The representative of SWITZERLAND said that his delegation regretted certain of the decisions which had led to agreement on the proposed Regular Budget and that he fully supported the views expressed by the representative of Japan.

19. His delegation was prepared to go along with the proposed Regular Budget, but it would like to see efforts being made in the forthcoming years to limit the Agency's operating costs, especially in the safeguards area.

20. The CHAIRMAN, noting that no further Committee members wished to take the floor, assumed that the Committee wished to recommend to the General Conference that it approve a total Regular Budget figure for 2003 of \$268 534 000 on the basis of an exchange rate of €0.9229 to \$1.00 and adopt draft resolution A ("Regular Budget appropriations for 2004") in the Annex to document GC(47)/3.

21. It was so agreed.

22. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it approve a target for voluntary contributions to the TCF for 2004 of \$74 750 000 and adopt draft resolution B (“Technical Co-operation Fund allocation for 2004”) in the Annex to document GC(47)/3.

23. It was so agreed.

24. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that the level of the Working Capital Fund in 2004 be the same as its current level, \$18 000 000, and that the Conference adopt draft resolution C (“The Working Capital Fund in 2004”) in the Annex to document GC(47)/3.

25. It was so agreed.

26. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution entitled “The Financing of Safeguards” in document GC(47)/COM.5/L.1.

27. It was so agreed.

## **11. Scale of assessment of Members’ contributions towards the Regular Budget** (GC(47)/18/Rev.1; GC(47)/INF/7)

28. The CHAIRMAN, noting that no Committee members wished to take the floor, assumed that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page 3 of document GC(47)/18/Rev.1.

29. It was so agreed.

## **12. Restoration of voting rights** (GC(47)/INF/7; GC(47)/INF/11/Rev.1)

30. The CHAIRMAN recalled that in 2002 the Conference had, in its decision GC(46)/DEC/8, requested the Board “to consider the criteria, guidelines and measures being applied in connection with requests for the restoration of voting rights, in particular the requirements for payment plans”. At its meeting on 18 July 2003, the Board had approved the package proposal just referred to under agenda item 9, which included a measure whereby the period of payment plans for arrears would be extended from five to ten years - as indicated in paragraph 17 of Attachment 1 to document GC(47)/INF/7.

31. The representative of the NETHERLANDS said that his delegation, which had agreed to the package proposal in the hope that it would enable more countries in arrears with their Regular Budget contributions to settle their debts vis-à-vis the Agency, would not like to see an automatic link between the conclusion of a payment plan agreement and the restoration of voting rights during the entire period of the payment plan.

32. The representative of GERMANY, endorsing what had just been said by the representative of the Netherlands, said that the voting rights of countries with payment plans should be restored only if those countries were fully honouring their payment plan commitments.

33. The CHAIRMAN assumed that the Committee wished to recommend that the General Conference take note of the decision of the Board to extend the period of payment plans for arrears from five to ten years.

34. It was so agreed.

## **17. Strengthening the effectiveness and improving the efficiency of the safeguards system and application of the Model Additional Protocol**

(GC(47)/8; GC(47)/COM.5/L.3)

35. The representative of AUSTRIA, introducing the draft resolution contained in document GC(47)/COM.5/L.3, highlighted certain respects in which it differed from the corresponding resolution adopted by the Conference in 2002 (GC(46)/RES/12).

36. The title (“... Including the Implementation of Additional Protocols”) reflected the fact that additional protocols were implemented within the framework of the Agency’s safeguards system.

37. Preambular paragraph (j) reflected the fact that a considerable increase in the Agency’s safeguards-related workload had been triggered by the adoption of the Model Additional Protocol in 1997 and not by the NPT Review and Extension Conference of 1995. By referring to the Model Additional Protocol instead of the NPT Review and Extension Conference, the sponsors of the draft resolution sought to avoid difficult discussions with the representatives of countries which were not parties to the NPT.

38. In operative paragraph 1, the word “obligations” had been substituted for “responsibilities” in order to make the legal situation of the Agency clearer.

39. Operative paragraph 5 had been inserted in order to reflect the compromise reached recently in the budget discussions.

40. In operative paragraph 6, the phrase “and additional protocols” had been substituted for “and also the Model Additional Protocol” as the latter had given the impression that additional protocols differed in nature from comprehensive safeguards agreements rather than being an integral part of them.

41. The phrase “and calls on such States to respond positively in that regard” had been added in operative paragraph 9, and operative paragraph 10 started with the phrase “Requests all States and other Parties” instead of “Requests the States and other Parties”.

42. The representative of BRAZIL said she understood that the draft resolution was going to be examined in detail in a working group established by the Committee of the Whole. She assumed that the working group would focus on, inter alia, the differences between the draft resolution and resolution GC(46)/RES/12.

43. The representative of EGYPT said that his country welcomed all efforts aimed at making the Agency's safeguards more credible, but it did not consider that greater intrusiveness was the only way of ensuring greater credibility. For safeguards to be credible, certain basic requirements had to be met: firstly, safeguards must be able to assure the international community that States were abiding strictly by their obligations under their respective safeguard agreements; secondly, safeguards must be able to assure individual States that their continued compliance with their safeguards obligations served their national security interests; and thirdly, the right of States to have access to the peaceful uses of nuclear energy should not in any way be impaired.

44. A reasonable balance had to be struck between the degree of credibility sought and the financial resources allocated to the safeguards task. In trying to strike that balance, it was essential not to lose sight of the fact that the vast majority of countries parties to the NPT were faithfully complying with their NPT obligations. Most of them would like to see the Agency's scarce resources being utilized in a manner which would help countries to develop rather than being allocated to increasingly costly safeguards activities as a result of alleged or real non-compliance by a tiny minority of States.

45. Egypt had ratified the NPT, had concluded an NPT safeguards agreement with the Agency and was complying fully with the obligations deriving from that instrument, yet no degree of safeguards intrusiveness would serve Egypt's national security interests as long as the intrusive measures in question were not applied to Israel.

46. Egypt had chosen not to conclude an additional protocol with the Agency, not because of opposition to that particular instrument but in order to be consistent with positions it had long held within the Agency. Firstly, it considered that additional Agency resources should be allocated to safeguards only in cases where there was a clear requirement for more intrusive safeguards. Given its record of compliance, Egypt did not believe that more intrusive safeguards at its nuclear installations would serve any useful purpose. Secondly, Egypt wished to send a clear message to the world that it was no longer willing to accept additional obligations in the absence of reciprocity on the part of other States in the Middle East. It considered that issues relating to weapons of mass destruction in the Middle East must be dealt with in a balanced and comprehensive manner.

47. The best was often the enemy of the good: in an endeavour to create a foolproof safeguards system it would, of course, be possible to allocate all of the Agency's resources to safeguards, but everyone knew that, no matter how intrusive the Agency's safeguards were, an ill-intentioned regime willing to put its full weight behind a military nuclear programme would be able to mislead the international community.

48. Continued unwillingness on the part of declared and undeclared nuclear-weapon States to part from their nuclear arsenals on the grounds that such arsenals constituted the ultimate guarantee of their national security would lead other States to seek a similar guarantee. The only measure that would enable the Agency to devote its full resources to its main objective - namely, seeking to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world - was the total elimination of nuclear weapons.

49. The representative of INDIA, recalling that at the previous regular session of the General Conference there had been no consensus regarding resolution GC(46)/RES/12, said that his delegation, representing a country that was not a party to the NPT, would make suggestions regarding the draft resolution in document GC(47)/COM.5/L.3 during discussions in the envisaged working group.

50. India had always attached great importance to the Agency's safeguards activities, but it believed that the value of the Agency depended on its being meticulous in carrying out its tasks in accordance with its statutory mandate, without getting bogged down in extraneous issues.

51. The representative of PAKISTAN, endorsing the statement made by the previous speaker, said that the draft resolution was very important for his country and that his delegation would participate constructively in the discussions of the envisaged working group.

52. The CHAIRMAN suggested that the draft resolution be referred to a working group under the chairmanship of Ambassador Vacek of the Czech Republic, with a view to the achievement of a consensus on it.

53. It was so agreed.

### **13. Measures to strengthen international co-operation in nuclear, radiation and transport safety and waste management** (GC(47)/7; GC(47)/9; GC(47)/INF/3; GC(47)/INF/4; GC(47)/COM.5/L.4)

54. The representative of AUSTRALIA, introducing the draft “omnibus” resolution contained in document GC(47)/COM.5/L.4, said that her delegation had prepared it in consultation with many other delegations. The draft resolution, which built largely on resolution GC(46)/RES/9.A, reflected developments since the 2002 session of the General Conference and placed considerable emphasis on the Agency’s safety standards programme.

55. Adoption of the draft resolution would be an expression of Member States’ commitment to safety as one of the Agency’s three pillars and reflect the importance attached by Member States to the Agency’s central role in promoting safety culture.

56. The representative of ARGENTINA said that in his delegation’s view the draft resolution provided an excellent overview of safety-related activities being conducted by the Agency.

57. The representative of NIGERIA, expressing support for the draft resolution, proposed the addition of a preambular paragraph reading “Noting the success of the Model Projects as reported in documents GOV/1999/67 and GOV/2001/48” and the replacement of “encourages the continuation of these Model Projects” by “urges the continuation of these Model Projects” in operative paragraph 16.

58. Regarding operative paragraph 20, he proposed the insertion of “immediately”, so that the paragraph read “... and requests the Secretariat to immediately consider appropriate means to implement the findings of the Conference”.

59. The representative of GREECE welcomed the fact that the draft resolution contained a section on the safe decommissioning of nuclear activities - an issue which his delegation had long wanted to see highlighted in General Conference resolutions. He proposed replacing “Noting” in preambular paragraph (m) by “Recalling”, inserting “safe” before “decommissioning” in operative paragraph 26 and changing the end of the latter paragraph to read “... to submit a finalized action plan to the Board for approval at its March 2004 session”.

60. The representative of MOROCCO, having welcomed the draft resolution, proposed replacing the phrase “encourages the continuation of these Model Projects” in operative paragraph 16 by “requests the Director General to ensure the continuation of these Model Projects”.

61. Regarding operative paragraph 20, which referred to the International Conference on National Infrastructures for Radiation Safety that had recently taken place in Rabat, he proposed changing the phrase “to consider appropriate means to implement the findings of the Conference” to read “to

convene a group of experts to formulate an international action plan for future international work directed towards the establishment and maintenance in Member States and non-Member States of effective and sustainable infrastructures for the safety and security of radioactive sources”.

62. The representative of NORWAY, having expressed strong support for the draft resolution, said that her delegation would like to see further countries acceding to the Convention on Nuclear Safety and the Joint Convention.

63. Referring to section 5 (“The Safety of Radioactive Waste Management”) of the draft resolution, she proposed that a mention of the first Review Meeting of Contracting Parties to the Joint Convention - due to take place in November - be added.

64. Welcoming section 8 (“International Response to Nuclear and Radiological Emergencies”), she said that her country looked forward to the establishment of a National Competent Authorities’ Co-ordination Group (NCACG) and to the participation of many Member States in the implementation of the plan of action which the Secretariat intended to develop together with the NCACG.

65. The representative of BRAZIL and the representative of BURKINA FASO asked for clarification of the wording of paragraph 5, which differed from the wording proposed by the Group of 77.

66. The representative of ETHIOPIA, having welcomed the draft resolution, expressed support for the comments made by the representatives of Nigeria, Morocco, Brazil and Burkina Faso.

67. The representative of JAPAN proposed the deletion of “freely” in operative paragraph 5.

68. Proposing the deletion of operative paragraph 36, he said that the phrase “recognizing the need for the enhancement of joint efforts to improve international response capabilities to nuclear and radiological emergencies” was not apposite in the case of the International Conference on the Safety of Transport of Radioactive Material.

69. The representative of SWITZERLAND proposed replacing the words “the completion of the development of radiological criteria” in operative paragraph 18 by “the continuation of the development of radiological criteria”.

70. Like the representative of Japan, he felt that operative paragraph 36 should be deleted.

71. The representative of CANADA proposed adding the words “to the fullest extent possible” at the end of operative paragraph 6.

72. The representative of FRANCE proposed replacing the phrase “to implement these safety requirements” in operative paragraph 6 by “to incorporate these safety requirements into national regulatory programmes”.

73. He too felt that operative paragraph 36 should be deleted.

74. The representative of INDIA wondered whether the deletion of “freely” from operative paragraph 5 - proposed by the representative of Japan - meant that Japan wanted technical co-operation for the enhancement of safety to be restricted.

75. The representative of the LIBYAN ARAB JAMAHIRIYA expressed support for the proposals made by the representative of Nigeria regarding operative paragraphs 16 and 20.

76. The representative of PERU said that her delegation agreed with all the proposals made so far except the proposal that operative paragraph 36 be deleted - the Summary and Findings of the President of the International Conference on the Safety of Transport of Radioactive Sources had stated

that “It was concluded by all that further discussion was required between States in order to develop an international response capability and that this should become part of an integrated global emergency response capability.”

77. The representative of YEMEN expressed strong support for the proposals made by the representative of Nigeria that related to the Model Projects for Upgrading Radiation Protection Infrastructures.

78. The representative of the UNITED KINGDOM expressed support for the proposal that operative paragraph 36 be deleted.

79. The DIRECTOR OF THE DIVISION OF RADIATION AND WASTE SAFETY said that both the International Conference on Security of Radioactive Sources and the International Conference on the Safety of Transport of Radioactive Material had included sessions on the subject of emergency response. Perhaps operative paragraph 36 could simply be tailored to that fact.

80. The representative of GREECE supported the proposal to delete the word “freely” from operative paragraph 5.

81. With regard to operative paragraph 27, he said that the wording should probably be “... in nuclear, radiation and transport safety and waste management”, not “... in nuclear, radiation, transport and waste safety”.

82. The representative of GERMANY, expressing support for the proposal that the word “freely” be deleted from operative paragraph 5, asked whether in the past any restrictions had been placed on technical co-operation for the enhancement of safety.

83. The DIRECTOR OF THE DIVISION OF RADIATION AND WASTE SAFETY said he could not recall there ever having been any such restrictions. Every time assistance in the safety area had been requested from the Agency, it had been provided - to developed Member States, to developing Member States, and even to non-Member States.

84. The representatives of BRAZIL, IRELAND, COLOMBIA and CHILE expressed support for the retention of operative paragraph 36.

85. The representative of the NETHERLANDS expressed support for the deletion of operative paragraph 36.

86. The representative of AUSTRALIA said that, while some of the proposals made could be readily accommodated, others reflected widely diverging views and therefore called for consultations among the delegations concerned - particularly the proposals regarding operative paragraphs 5 and 36.

87. Regarding the proposal made by the representative of Morocco for elaborating operative paragraph 20, she would like to consult both with representatives of other delegations and with the Secretariat.

88. The DIRECTOR OF THE DIVISION OF RADIATION AND WASTE SAFETY, referring to operative paragraphs 1 and 30, said that the Secretariat always understood “within available financial resources” to mean “subject to the availability of financial resources”.

89. The CHAIRMAN requested the representative of Australia to consult as necessary and to submit a revised draft resolution to the Committee as soon as possible.

**The meeting rose at 1.05 p.m.**