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Chair: Mr CSERVENY (Hungary)

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¹ GC(60)/COM.5/1.

Abbreviations used in this record:

| | |
|--------|---|
| MOSAIC | Modernization of Safeguards Information Technology |
| RSAC | regional system of accounting for and control of nuclear material |
| SLC | State-level concept |
| SMRs | small and medium-sized reactors |
| SSAC | State system of accounting for and control of nuclear material |

17. Strengthening the effectiveness and improving the efficiency of Agency safeguards (continued)

(GC(60)/COM.5/L.10)

1. The representative of the RUSSIAN FEDERATION requested Member States that had objected to the insertion of paragraph 8 bis to explain their objection to the wording or ideas in the paragraph.
2. The representative of CHINA said that some changes would be necessary to the wording of the paragraph before it could be accepted.
3. The representative of the NETHERLANDS said that any wording that questioned the impartiality and neutrality nature of the Secretariat's work was unacceptable. He objected to the call on the Secretariat to defend information in an open discussion with the Board of Governors and saw no need for a new methodology, for the current system of reporting, with discussion by the Board and clarification by the Secretariat, worked well. He was willing, however, to discuss the wording of the first part of paragraph 8 bis.
4. The representative of SWEDEN said that proposed paragraph 8 bis raised confidentiality concerns and would affect the Secretariat's ability to analyse matters and to draw conclusions. She was willing to discuss the wording of the first part of the paragraph.
5. The representative of POLAND stressed that safeguards resolutions must be balanced and urged against reconsideration of every detail therein. As negotiations were time-consuming, he called for an *ad hoc* group to be established in order to reach a consensus, which was the ultimate aim of all discussions on the resolution.
6. The representative of BELARUS was in favour of the insertion of paragraph 8 bis as proposed by the Russian Federation. He stressed that, as the safeguards system continued to evolve, so too must the resolution.
7. The representative of DENMARK, agreeing with the representatives of Sweden and the Netherlands, said that proposed paragraph 8 bis was not conducive to consensus among Member States, for Denmark had no reason to doubt or question the Secretariat's impartiality.
8. The representative of BELGIUM agreed with the remarks made by the representative of Sweden at the previous meeting and stressed the importance of preserving a balance in matters of independence, autonomy and transparency. Belgium did not wish to move in the direction suggested in proposed paragraph 8 bis and called on the representative of the Russian Federation to submit all other similarly intended amendments together to Member States to consider them as a whole.
9. The representative of FINLAND endorsed the views expressed by the representatives of the Netherlands, Sweden and Denmark.
10. The representative of GERMANY, while agreeing with the representative of Belarus that the discussion of the resolution was a dynamic process, pointed out that changes of wording should be viewed from a third-party standpoint. Germany objected to proposed paragraph 8 bis, in particular the second sentence thereof, for it implied that there were weaknesses in the safeguards mechanisms and questioned the Secretariat's work.

11. The representative of the UNITED STATES OF AMERICA, echoing previous speakers' concerns, objected to proposed paragraph 8 bis, for it suggested rather adversarial relations between the Member States and the Secretariat, which was not warranted. He, too, was concerned about the implications that third parties could draw from the proposed wording and he seconded the proposal that all such similarly intended amendments be submitted together so that consultations could be initiated.

12. The representative of BELARUS considered that proposed paragraph 8 bis would send the right signal to the international community. The proposed paragraph did not imply any lack of trust in the Secretariat; rather, it highlighted the responsible attitude taken by Member States in establishing the necessary framework for cooperation with the Secretariat. She stressed that it was crucial, in particular in cases of non-compliance, for the Board of Governors to know the sources of the information on which the Secretariat drew safeguards conclusions. Furthermore, no confidentiality issues could arise because the Board of Governors met *in camera*, thus excluding the media and civil society.

13. The representative of NEW ZEALAND, echoing the concerns voiced by the representatives of the Netherlands, Germany and the United States of America, objected to the adversarial wording of proposed paragraph 8 bis, in particular the words "be ready to defend". The first half of proposed paragraph 8 bis was, however, amendable to consensus, subject to discussion.

14. The representative of NORWAY commended the Agency for its excellent safeguards work and systems and its proven track record, and highlighted its strong international legitimacy. Stressing the importance of preserving universal trust in the authority of the safeguards system, Norway did not consider that proposed paragraph 8 bis would strengthen the authority of the Agency and felt no need for any wording or mechanisms implying that the implementation theretofore of the Agency's work or dialogue with Member States had been fraught.

15. The representative of TURKEY said that his delegation was concerned that proposed paragraph 8 bis, in particular the second part thereof, compromised the Agency's responsibility for confidentiality and called established practice into question.

16. The representative of EGYPT, considering that the notions reflected in proposed paragraph 8 bis could add value to the resolution, welcomed delegations' stated readiness to consider the first part of the proposed paragraph. He did not agree that proposed paragraph 8 bis, as worded, implied decades-long problems between the Member States and the Secretariat, but considered that it merely sought to highlight Member States' concerns about safeguards conclusions drawn, not from their reports based on their own safeguards agreements, but from third-party information. As such conclusions must be all the more verifiable and credible under the State-level concept, he urged representatives to draw on their creativity and flexibility to find consensus wording.

17. The representative of UKRAINE said that the wording of the second part of proposed paragraph 8 bis was unacceptable because it undermined the credibility of the Secretariat in drawing relevant safeguards conclusions.

18. The representative of the RUSSIAN FEDERATION, endorsing the statements by the representatives of Belarus and Egypt, stressed that the idea encapsulated in both parts of proposed paragraph 8 bis was crucial, for a mechanism should be established to forestall problems, in view of the significant changes arising from the introduction of the State-level approach to safeguards implementation and the potential role of third-party safeguards information of highly variable quality. The paragraph was of the essence, for open discussion in the Board, confidential among Board Members or observers under Rule 50, had political, and even military implications for States

referred to the United Nations Security Council for not complying with their non-proliferation obligations.

19. Introducing proposed paragraph 8 ter, he said that that the important and politically sound objective of the MOSAIC platform, namely to ensure that safeguards conclusions were technically objective and sound, should be enshrined in the safeguards resolution.

20. The representative of PAKISTAN supported the ideas in the proposed paragraph and stressed the need to strike a balance between the Secretariat's competences and the Member States' concerns. His delegation stood ready to contribute to the efforts to find wording acceptable to all.

21. The representative of CANADA, while supporting the beginning of proposed paragraph 8 ter, considered that the objective of ensuring consistency and credibility could not be left to machines but required analysis by humans and must be discussed by experts in a different setting.

22. The representative of the RUSSIAN FEDERATION said that "contribute to fulfilling the above-mentioned objectives" had been included to address the concern voiced by the representative of Canada. He stressed that proposed paragraph 8 ter was a statement of the intent of the MOSAIC project.

23. The representative of INDIA, referring to paragraph 7 which had been adopted every year, said that suggestions from previous years should be studied in order to achieve a consensus on the draft resolution.

24. The representative of the RUSSIAN FEDERATION, explaining the background to proposed paragraph 28 bis, said that a report on the lessons learned and experience gained in developing State-level safeguards approaches should be requested because it had been intimated that the Director General wished to submit such a report to Member States on completion of the process. Furthermore, during the initial, test phase, the State-level concept would be implemented for States with integrated safeguards, but even in those States, adjustments to safeguards implementation were required to take account of factors such as new developments. As the following phase, involving implementation in States without integrated safeguards, would be even more complex, the experience of introducing State-level approaches must be analysed carefully, by the Agency as a whole, to ensure that they could be effectively applied to other groups of States such as those without the broader conclusion, without an additional protocol or with different basic safeguards agreements,

25. The representative of BRAZIL, expressing support for proposed paragraph 28 bis, said that on completion of the first phase of the State-level approach, a standalone report would give a fuller picture of the ways and means by which the Agency had drawn conclusions during the first phase, with a view to updating and implementing State-level approaches for all States.

26. The representative of SWITZERLAND, introducing the proposed addition to paragraph 30, considered that, budgetary and other constraints notwithstanding, the Secretariat should be encouraged to respond to ongoing changes in the safeguards system by optimizing safeguards not only at the Agency level but also at the State level.

27. The representative of CANADA said that her country had understood the rationale behind proposed paragraph 28 bis, but had concerns about the form and timing of the report requested.

28. Her delegation supported the intent behind the proposed addition to paragraph 30 but considered that it should be reworded through discussion by experts in a working group.

29. The representative of the UNITED KINGDOM acknowledged some points in the background information given by the representative of the Russian Federation but considered that the sense of

proposed paragraph 28 bis was completely and effectively captured in paragraph 27; he appealed to the representative of the Russian Federation to consider the provisions of paragraph 27 in relation to that country's concerns or questions.

30. The representative of BELARUS said that it would be appropriate and useful for the Secretariat, which was already considering State-level approaches for other categories of State, to report in sum on its experience of implementing the State-level approach in States with the broader conclusion and to confirm that the Secretariat's goals, such as greater safeguards efficiency and effectiveness, had been achieved. The proposed addition to paragraph 30 could therefore somehow be combined with proposed paragraph 28 bis because they dealt with the same subject. Further information on the conclusions would be the first step to further development of the State-level concept.

31. The representative of the RUSSIAN FEDERATION said that proposed paragraph 28 bis could be reworded to state that the General Conference welcomed the Director General's intention to report on the initial phase of application of the State-level concept.

32. While agreeing with the representative of the United Kingdom that paragraph 27 dealt with reporting on SLC implementation, he pointed out that the report covered in that paragraph was the annual Safeguards Implementation Report. He supported the statement made by the representative of Brazil and considered that the standalone report could be mentioned in a paragraph after paragraph 27 or 28 to ensure a logical connection.

33. He was in favour of the proposed addition to paragraph 30.

34. The representative of FRANCE said that the Agency needed time to learn lessons and update documents, so that experience could be gained. She supported the statement by the representative of the United Kingdom and, noting that paragraph 28 referred to "update reports", said that multiple requests for reports should be avoided.

35. The proposed addition to paragraph 30 contained interesting elements and could form a basis for further discussion.

36. The representative of EGYPT was in favour of the proposed addition to paragraph 30.

37. He proposed that the last part of paragraph 27 be amended to read as follows: "... requests the Director General to report to the Board on progress made in the development and implementation of safeguards in the context of the SLC, including lessons learned in this regard", thus requesting a standalone report on the implementation of the State-level concept.

38. The representative of the NETHERLANDS agreed with other representatives that proposed paragraph 28 bis was unnecessary because paragraph 27 already provided amply for a report.

39. He supported the rationale behind the proposed addition to paragraph 30. His delegation stood ready to work to reword it more precisely.

40. The representative of the UNITED STATES OF AMERICA said that his delegation had concerns about sequencing, as did other representatives, because the information on lessons learned could be insufficient. He considered that the text must be modified to show that State-level approaches could be developed before all of the State-level approaches for States with integrated safeguards had been completed.

41. His delegation was ready to take a flexible approach to working with the ideas raised and it considered that the proposal by the representative of Egypt was constructive.

42. He considered that paragraph 30 was currently too heavily weighted towards efficiency and that greater emphasis should be given to effectiveness.

43. The representative of NORWAY said that his delegation was flexible with regard to proposed paragraph 28 bis. Expressing support for the statement made by the representative of the Netherlands, he said that many of the Russian Federation's concerns were addressed in paragraph 27. While it was desirable for the Secretariat to learn lessons and gain experience from working with State-level approaches, it must be allowed sufficient time. Otherwise, there was a risk that the information provided by those Member States which had shared the most about their facilities and programmes with the Agency and had cooperated the most closely over the years could be disclosed to the Board for no very good reason.

44. The representative of TURKEY said that some of the elements in proposed paragraph 28 bis could be incorporated into paragraph 29, which dealt specifically with State-level approaches.

45. The representative of PAKISTAN said that once the Secretariat had completed the State-level approaches for States with integrated safeguards, it should share its observations with Member States as part of the ongoing dialogue.

46. To his mind, agreed wording on the Russian Federation's concerns that had informed proposed paragraph 28 bis could be included in a separate paragraph or be incorporated into paragraph 27.

47. The representative of the RUSSIAN FEDERATION said that the statement by the representative of the United States of America to the effect that the Director General would implement State-level approaches, not only for States under integrated safeguards, but also for States with other types of agreements, ran counter to the understanding enshrined in resolution GC(58)/RES/14. While the Russian Federation respected the sovereign decision of States to request the Agency to develop a State-level approach for them specifically, it had neither agreed to nor recommended such a course of action. The SLC approach should be implemented in stages and be duly analysed and vetted by the policy-making organs.

48. The representative of INDONESIA said that proposed paragraph 28 bis had merit because it was desirable to learn lessons from the implementation of the State-level approach. His delegation was ready to consider different wording and the displacement of the paragraphs.

49. The representative of BELGIUM agreed with the representative of Switzerland that safeguards implementation must be optimized. His delegation would assist in rewording paragraph 30 to reflect the Agency's reality and to guide it as appropriate.

50. His delegation was not in favour of inserting proposed paragraph 28 bis into the draft resolution and would rather insert the request for a standalone SLC report into paragraph 27.

51. The representative of the RUSSIAN FEDERATION, introducing paragraph 28 ter, said that it was a logical sequel to paragraph 28 and covered open dialogue between the Secretariat and States on safeguards matters. It would help to preserve briefings as an invaluable mechanism that ensured transparency by requiring the Secretariat, without discussing individual States, to discuss the criteria that it had used and the logic that it had followed in drawing broader and other conclusions, which would make that process more systematic. Failing an open discussion between the Secretariat and the Member States on the reasons for differences in the speed at which the broader conclusion was drawn for various States, questions about the Agency's objectivity could arise.

52. The representative of FRANCE said that the level of detail in proposed paragraph 28 ter was inappropriate for a resolution. Furthermore, its wording wrongly suggested that the Secretariat drew conclusions on the basis of criteria. Rather, criteria were the foundation of the analysis and subsequent

verification and assessment that informed the Agency's conclusions. France objected to the insertion of an amendment that erroneously represented the Agency's process.

53. The representative of UKRAINE objected to proposed paragraph 28 ter because it was political and could distort the Secretariat's assessment of safeguards implementation and undermine its independence in drawing conclusions.

54. The representative of the UNITED KINGDOM objected, stating that paragraph 28 of the draft resolution already welcomed the Secretariat's open dialogue with the Member States and that proposed paragraph 28 ter entered into excessive detail. His country was wholly confident in the Agency's objectivity and its ability to implement safeguards and it considered that the resolution should reflect such confidence.

55. The representative of SOUTH AFRICA voiced surprise at some Member States' reaction to a reasonable request by Member States that wished to understand which criteria were being used by the Secretariat in drawing conclusions. He opined that the request contributed to building confidence and transparency in safeguards implementation.

56. The representative of CANADA voiced deep concern at the level of detail in proposed paragraph 28 ter.

57. The representative of the UNITED STATES OF AMERICA, supported by the representative of SWEDEN, said that it was inappropriate to dictate to the Secretariat the level of detail at which it should conduct its dialogue with the Member States. Paragraph 28 sufficed for that purpose.

58. The representative of the RUSSIAN FEDERATION said that "criteria" could be replaced by a more agreeable term to allay the concerns voiced by France.

59. Portraying his country as an honest broker in the matter, he called on the Secretariat to consider States' perception of measures taken against them, to engage in open discussion and to be ready to explain to the Member States the ways and means by which it drew its conclusions. In this way, it would ensure that the Agency's safeguards systems continued to be seen as objective, politically impartial and technically based.

60. The representative of BELARUS called on the Secretariat to engage in serious and in-depth dialogue to elucidate, for Member States, the process followed in drawing conclusions.

61. The representative of the NETHERLANDS said that proposed paragraph 28 ter was too detailed and that the rationale for requiring the Secretariat to elaborate on the way in which it drew broader conclusions was unclear.

62. The representative of ALGERIA said that, while his country was satisfied with the Secretariat's implementation of safeguards, there was room for improvement. Proposed paragraph 28 ter reflected the need for constructive dialogue between the Secretariat and the Member States that would enable the latter to understand the process by which the Secretariat drew its conclusions and the criteria and information used to do so, and to determine whether its sources were credible. His delegation stood ready to assist the Committee in finding wording that would make consensus possible.

63. The representative of CUBA said that her delegation was prepared to contribute to the rewording of proposed paragraph 28 ter and that the ways and means by which the Secretariat drew its conclusions was a worthwhile topic for open dialogue with Member States.

64. The representative of TURKEY said that his country, albeit satisfied with the Secretariat's approach to dialogue with the Member States, would appreciate gaining a better understanding of the ways and means by which it drew the various conclusions.

65. The representative of BRAZIL referred to the Supplementary Document to the Report on The Conceptualization and Development of Safeguards Implementation at the State Level as an example of the kind of issues that the Secretariat should discuss with Member States. In addition to the issues raised in proposed paragraph 28 ter, Brazil would be willing to discuss other topics of interest to States with the Secretariat when the opportunity arose.
66. The representative of RUSSIAN FEDERATION said that proposed paragraph 28 ter was linked to paragraph 28 and sought to give substance to open dialogue on safeguards between the Secretariat and Member States by proposing a discussion on the ways and means by which broader conclusions were drawn.
67. His delegation wished to propose a new paragraph 30 bis reading as follows: “Notes that any changes and improvements to safeguards application mechanisms and practices require close coordination with Member States and should be approved by the Board of Governors and endorsed by the General Conference.” The emphasis therein was on major conceptual changes to the application of safeguards, such as the introduction of the Model Additional Protocol and SLC development and implementation, and the goal was to enshrine in the resolution the key role theretofore played by the policy-making organs. His delegation would welcome suggestions on improvements to the wording of proposed paragraph 30 bis.
68. The representatives of CANADA and the UNITED KINGDOM said that the mechanisms employed in the application of safeguards were governed by bilateral agreements that were in turn based on model safeguards agreements previously approved by the Board. Each safeguards agreement was, moreover, subject to the Board’s approval. Insertion of proposed paragraph 30 bis was therefore unnecessary.
69. The representative of BRAZIL, supported by the representative of CHINA, was in favour of the idea behind the proposed paragraph on the role of the policy-making organs, but proposed that “endorsed by the General Conference” be deleted from the proposed text.
70. The representatives of INDIA and INDONESIA agreed, stressing that the idea was not to micromanage the Secretariat, but rather to indicate the role that the Secretariat and the General Conference played in managing major changes.
71. The representatives of the NETHERLANDS, FRANCE, the UNITED STATES OF AMERICA and SWEDEN objected to proposed paragraph 30 bis as a clear attempt to micromanage the Secretariat.
72. The representative of BELGIUM objected to proposed paragraph 30 bis, considering that it would undermine the Agency’s autonomy.
73. The representative of SOUTH AFRICA was in favour of inserting proposed paragraph 30 bis but called for “mechanisms and practices” to be deleted.
74. The representative of GERMANY said that his delegation could not support proposed paragraph 30 bis as currently worded.
75. The representative of SPAIN said that the proposed paragraph was excessive in its attempt to control the work of the Agency’s Department of Safeguards and considered that the generally worded instructions, such as those already provided in paragraph (h), sufficed.
76. The representatives of the ISLAMIC REPUBLIC OF IRAN, PAKISTAN, CUBA and the SUDAN were in favour of the insertion of proposed paragraph 30 bis and would help to find acceptable wording.

77. The representative of the RUSSIAN FEDERATION agreed that the word “endorse” could be deleted from the proposed wording of new paragraph 30 bis, but reiterated that, in accordance with Article V.D of the Statute, the invaluable opinion of the General Conference, in conjunction with that of the Secretariat and the Board of Governors, must be heard on all major changes to the safeguards system, such as approval of the Model Additional Protocol. He proposed to delete “application mechanisms and practices”, which some Western States seemed to regard as an attempt to micromanage the Secretariat.

78. The representative of the REPUBLIC OF SOUTH KOREA said that he could not support the text proposed by the representative of the Russian Federation, in the interests of the Agency’s autonomy.

79. The representative of FINLAND said that she did not support the proposal by the representative of the Russian Federation.

80. The representative of the UNITED STATES OF AMERICA, supported by the representatives of JAPAN and CANADA, proposed “Encourages States to continue to strengthen their State or Regional Systems of Accounting for and Control of Nuclear Material (SSAC and RSAC), recognizing the important role SSACs and RSACS play in safeguards implementation.” be inserted as paragraph 33 bis.

81. SSAC effectiveness should be included in the resolution because it had been mentioned repeatedly in the Safeguards Implementation Report as an area of difficulty in implementation, as it had not really been addressed in other parts of the resolution and as it was a State-specific factor and a key ingredient for successful safeguards implementation.

82. The representative of BRAZIL suggested that “where appropriate” be inserted to avoid giving the impression that all State and regional systems required strengthening, which was not the case.

83. The representative of FRANCE, while supporting the proposal by the representative of the United States of America, agreed with the statement by the representative of Brazil. She suggested that the Agency’s proposed assistance to States in strengthening their SSACs or RSACS should be highlighted.

84. The representative of SOUTH AFRICA proposed that “strengthen” be deleted from proposed paragraph 33 bis because it implied that current SSACs were weak.

85. The representative of the RUSSIAN FEDERATION said that although there was value in the proposal, he agreed with the representative of Brazil that the wording could be improved. Noting that neither SSACs nor transparency could be strengthened endlessly, he suggested that “strengthen” be replaced by “maintain and foster”.

86. The representative of EGYPT, while supporting proposed paragraph 33 bis, said that it should be reworded to encourage States to maintain their systems and, where appropriate, to strengthen them.

87. The representative of AUSTRIA, supported by the representatives of the UNITED KINGDOM, the NETHERLANDS, CANADA, the UNITED STATES OF AMERICA, FRANCE, FINLAND and POLAND, proposed that informal consultations on the subject be pursued on the following day.

88. The representative of the RUSSIAN FEDERATION stated a strong preference for discussions to be continued in the Committee of the Whole.

89. The CHAIR, noting that the Committee was unable to come to an agreement, requested an update on the status of the discussions on the technical cooperation resolution.

90. The representative of MOROCCO said that consultations on some matters raised by Member States were still under way.

91. Informal consultations had been held by the drafters of the resolution on the plan for producing potable water in order to address Member States' concerns.

92. With regard to paragraph (b), she proposed that "in" be replaced by "through" to read: "..., as well as through the discussion towards implementing the Paris Agreement ..."

93. With regard to paragraph 4, she proposed the insertion of subparagraph (a), using the wording of paragraph 4 (b) of the 2014 resolution, to read as follows: "Continue to hold regional training workshops and technical meetings and to use other available mechanisms for disseminating information on nuclear desalination and water management using SMRs and to undertake further activities aimed at better establishing how existing reactors may offer options for cogeneration."

94. With regard to paragraph 6, she proposed that "a growing number of" be inserted after "by", so that the paragraph would read as follows: "Requests the Director General to note the high priority given by a growing number of interested Member States to the nuclear desalination of seawater in the process of preparing the Agency's Programme and Budget."

95. The CHAIR took it that there were no objections to the amendments proposed by the representative of Morocco.

96. It was so agreed.

The meeting was suspended at 5.45 p.m.