IAEA Board of Governors

Record of the 4th Meeting of the Advisory Committee on Safeguards and Verification within the Framework of the IAEA Statute GOV/COM.25/OR.4

(Click the link below to go directly to the NAM statement)

Schedule of future meetings and funding of the Committee (Malaysia)



Board of Governors

GOV/COM.25/OR.4

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Advisory Committee on Safeguards and Verification within the Framework of the IAEA Statute

Record of the 4th Meeting

Held at Headquarters, Vienna, on Wednesday, 18 January 2006, at 10.10 a.m.

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¹ GOV/COM.25/4.

Attendance

(The list below gives the name of the senior member of each delegation who attended the meeting, as well as that of any other member whose statement is summarized in this record.)

| Ms. FEROUKHI | Chairperson (Algeria) |
|---------------------------|---|
| Mr. FASSIH | Algeria |
| Ms. WILKINSON | Argentina |
| Ma CTOVEC | |
| Mr. BEVEN | Australia |
| Mr. MACKAY | Belarus |
| Ms. CLAEYS | Belgium |
| Ms. RICHTER RIBEIRO MOURA | Brazil |
| Mr. PROUDFOOT | Canada |
| Mr. YANG Dazhu | China |
| Ms. QUINTERO CORREA | Colombia |
| Mr. CODORNIU PUJALS | Cuba |
| Mr. GARCÉS-BURBANO | Ecuador |
| Mr. KAHLIL | Egypt |
| Mr. ALBERT | France |
| Mr. SANDTNER | Germany |
| Mr. CRICOS | Greece |
| Mr. PATEL | India |
| Mr. HISWARA | Indonesia |
| Mr. SUMI | Japan |
| Mr. LEE Key-Cheol | Korea, Republic of |
| Mr. TAJOURI | Libyan Arab Jamahiriya |
| Ms. VIKØY | Norway |
| Ms. ARAÚJO | Portugal |
| Mr. BERDENNIKOV | Russian Federation |
| Mr. MACHÁČ | Slovakia |
| Mr. STRITAR | Slovenia |
| Mr. WRIGHT | South Africa |
| Ms. WIJEWARDANE | Sri Lanka |
| Ms. EIBORN | Sweden |
| Mr. GHANEM | Syrian Arab Republic |
| Mr. TULEY | United Kingdom of Great Britain and |
| | Northern Ireland |
| Ms. HILLIARD | United States of America |
| Ms. GARCÍA de PÉREZ | Venezuela, Bolivarian Republic of |
| Mr. ALTHILAYA | Yemen |
| Mr. ELBARADEI | Director General |
| Mr. WALLER | Deputy Director General, Department of Management |
| Mr. ANING | Secretary of the Committee |

Representatives of the following Member States also attended the meeting:

Austria, Azerbaijan, Bolivia, Chile, Czech Republic, Denmark, Finland, Hungary, Islamic Republic of Iran, Ireland, Israel, Italy, Kuwait, Latvia, Lithuania, Malaysia, Malta, Mexico, Morocco, New Zealand, Nigeria, Pakistan, Paraguay, Poland, Switzerland, Tunisia, Ukraine.

Abbreviations used in this record:

GRULAC Latin American and Caribbean Group

NAM Non-Aligned Movement

NPT Treaty on the Non-Proliferation of Nuclear Weapons

NPT Review Review Conference of the Parties to the Treaty on the Non-Proliferation

Conference of Nuclear Weapons

SAGTAC Standing Advisory Group on Technical Assistance and Cooperation

^{*} Speakers under Rule 50 of the Provisional Rules of Procedure are indicated by an asterisk.

1. Review and improvement of the effectiveness and efficiency of the safeguards system

(b) Enhancing analytical capabilities (continued)

(Note by the Secretariat 2006/Note 2)

- 1. The representative of <u>EGYPT</u> welcomed the commencement of the Committee's substantive work and trusted that it would contribute to improving the efficiency of the safeguards system. He commended the Chairperson for her valuable efforts and the extensive consultations she had undertaken to reach an acceptable basis for starting the Committee's work and thanked the Secretariat for their informative presentations.
- 2. While agenda item 1 reflected the substance of the Committee's mandate, its two sub-items did not cover all the aspects of the safeguards system review that the Committee was mandated to perform, nor did they necessarily reflect the priorities of the majority of Member States. Egypt, like others, felt there was a need for a review of the status of previous resolutions of the General Conference and Board of Governors. That was a necessary prerequisite to identify gaps in implementation and develop adequate means to address them.
- 3. Another extremely important point was the need to achieve an adequate balance among the obligations of all countries, especially those with nuclear capabilities. The objective of the safeguards system was to ensure that nuclear power was directed towards peaceful uses for sustainable development and not diverted for military purposes that could threaten the existence of humanity. The pursuit of that goal should be governed by the principle of common but differentiated responsibilities developed at the United Nations Conference on Environment and Development in 1992. That principle recognized the responsibility of societies for the pressure they exerted on the world's natural resources and the special responsibility of those with the financial means and technologies to help achieve internationally agreed goals for sustainable development.
- 4. That principle seemed to be applied in reverse when dealing with safeguards. An increasing number of developing countries that were party to the NPT were being asked to do more, by way of undertaking additional legal obligations which entailed the fulfilment of financial and technical requirements that many were simply unable to do. On the other hand, two categories of States with military nuclear capabilities, both party and not party to the NPT, were being asked only for voluntary contributions in the areas of financing, technology or the provision of information.
- 5. The safeguards system had to address existing cases of proliferation, ensure that current levels of nuclear arsenals were frozen and prevent nuclear technology being mobilized for any new military objectives. Many options could be explored, including making good use of verification measures in nuclear-weapon States to develop advanced and cost-effective verification procedures for others. The most important option was universalization of the NPT and the application of comprehensive safeguards to all countries, including those in the Middle East region.
- 6. In that context, Egypt attached great importance to the implementation of the various United Nations, Agency and NPT Review Conference resolutions on the establishment of a nuclear-weapon-free zone in the Middle East. The lack of progress in that area was a flagrant example of the imbalance of the safeguards system. It was neither fair nor acceptable to keep asking countries of the region that were party to the NPT and that applied their safeguards agreements in good faith to undertake additional legal obligations, while avoiding any pressure on Israel, the only country in the region with a significant nuclear military programme and which consistently refused to join the NPT or even to put its programme under safeguards of any kind. The situation not only threatened regional and international peace and security but also affected in a fundamental manner the credibility of the safeguards system.

- 7. The Egyptian delegation requested that agenda item 1 remain open to enable discussion of the status of previous relevant resolutions, as requested by the representative of NAM and others, and possibly other aspects of the issue. In conclusion, he urged the Committee to make full use of its two-year mandate.
- 8. The representative of the <u>BOLIVARIAN REPUBLIC OF VENEZUELA</u> thanked the Secretariat for the information provided and regretted the delay in the provision of documentation, which accounted for the fact that her comments were only preliminary in nature. Discussion of the need to improve the efficiency of the safeguards system and to enhance capabilities should be continued at future Committee meetings with a view to arriving at consensus recommendations. It would be premature to set up working groups and, in addition, that would create problems for delegations that already had to make major efforts to participate in all of the relevant activities.
- 9. Supporting the statements made on behalf of NAM and GRULAC the previous day, she emphasized the need for more extensive discussion of agenda item 1.
- 10. The representative of <u>SLOVENIA</u> said the Note by the Secretariat contained in document 2006/Note 2 outlined the need for selected capabilities in safeguards implementation. In an updated version his delegation would like to see a more structured approach, with sound arguments and optimized needs. He agreed with the views expressed by others, including the German delegation, as to the need for more explanations and a more balanced approach. As it stood, the paper called for new tools and capabilities without mentioning the optimization of current resources. Different ways of reaching safeguards objectives should be foreseen and prioritized on a cost-benefit basis. The document touched only on improvement of capabilities for data collection and analysis, which was just one part of the overall safeguards system. The human and financial resources needed for data evaluation should also be kept in mind. If such information was provided, the justification for the Secretariat's proposals would be much clearer.
- 11. The representative of <u>ISRAEL</u>*, responding to the representative of Egypt, said that no progress could be made on the establishment of a nuclear-weapon-free zone in the Middle East as long as many States in the region failed to recognize Israel, some even threatening its very existence by calling for it to be "wiped off the map" and others failing to condemn such statements. In addition, a number of States in the Middle East had breached their nuclear commitments to the international community. As long as that remained the situation and until pressure was applied to change it, progress would not be achieved in transforming the Middle East into a nuclear-weapon-free zone.
- 12. The <u>CHAIRPERSON</u> enjoined all delegations to adhere to the Committee's objective of reviewing the international legal treaties to which all present were committed. Confrontational or overly political debate should be avoided. If the issue of the recognition of Israel was to be raised, it should be recalled that, during the Arab League summits in Beirut and Algiers, the Arab States had offered such recognition in exchange for withdrawal by Israel from all the occupied territories.
- 13. The representative of the <u>ISLAMIC REPUBLIC OF IRAN</u>* assured the Chairperson that he did not seek a confrontational approach but wished to state for the record that the establishment of a nuclear-weapon-free zone in the Middle East had been held hostage by Israel for some thirty years as a result of Israel's policy of linkage with accession to international instruments dealing with nuclear and indeed general disarmament. No excuse could be used to jeopardize the universalization of the basic disarmament instruments, to which all countries present, except Israel, were committed.

2. Schedule of future meetings and funding of the Committee (Note by the Secretariat 2006/Note 3)

- 14. The <u>CHAIRPERSON</u> said that during her extensive consultations with Member States on the item, various views had been expressed. Some had proposed a specific number of meetings for the Advisory Committee and others had said that such meetings should not entail any financial burden on Member States. However, there had been a general sense of flexibility on the frequency of meetings and it had been suggested that the Advisory Committee should convene as required and on the basis of progress achieved in its work.
- 15. She had also consulted with the Secretariat regarding financial aspects of the Advisory Committee's work and the estimated costs were detailed in Note by the Secretariat 2006/Note 3 before the Committee.
- 16. The <u>DEPUTY DIRECTOR GENERAL FOR MANAGEMENT</u> said that the Secretariat had made a working assumption that the Advisory Committee would initially hold three meetings a year, each meeting to last three days, giving a total of nine meeting days per year. Using that assumption, a detailed assessment of the anticipated additional costs beyond Secretariat staff salaries, infrastructure and so on had been undertaken. The table before the Committee envisaged daily meeting costs of approximately €89 000. For nine days of meetings, the cost would be approximately €800 000. As the table also made clear, the expense was mainly attributable to additional costs relating to interpretation and the translation of official records and other Committee documents into all official languages.
- 17. Those costs had not been anticipated when the budgets for 2006 and 2007 had been formulated and were not provided for in the 2006 budget as approved by the General Conference. How, therefore, would they be covered? Ideally, they should be funded through additional Regular Budget funds. Some Member States, however, had urged that the Regular Budget not be increased; others had proposed that extrabudgetary contributions be provided.
- 18. Over the past few years, the Secretariat had absorbed costs related to several unscheduled Board meetings. In 2005, that had resulted in the utilization of all Regular Budget resources allocated for services for the Agency's Policy-Making Organs. Indeed, there had been an overrun in 2005 for that expenditure item. And, it should be assumed that there would be unscheduled meetings of the Board in 2006. In fact, a request had already been received for an extraordinary meeting of the Board in February 2006.
- 19. Under the current state of affairs, the Secretariat would not be able simply to absorb the additional costs resulting from the Advisory Committee. What, then, were the funding options? The Secretariat saw three scenarios.
- 20. The first option was extrabudgetary contributions. The budget for meetings of the Board and other committees was in the subprogramme that provided services for the Policy-Making Organs under Major Programme 7. Interested Member States could be asked to provide extrabudgetary contributions directly to that subprogramme. That option had the advantage of not increasing the Regular Budget or of diverting Regular Budget funds allocated for other activities. Contributions would, of course, be voluntary. However, the Secretariat had some concerns regarding the use of extrabudgetary funds for Board activities owing to uncertainties surrounding the amount of extrabudgetary funding and the timing of its receipt.

- 21. A second option would be a supplementary appropriation financed by additional assessed contributions from Member States. That option would have the benefit of not diverting Regular Budget funds allocated for other activities. It would result in additional assessments for Member States in proportion to the scale of assessment utilized for the Regular Budget. Thus, assuming a supplementary appropriation in the amount of ϵ 800 000, each Member State would be assessed a share of that amount based on the scale of assessment.
- 22. A third option was a supplementary appropriation financed from the 2004 cash surplus. Preliminary estimates indicated that there would be a cash surplus for 2004, the exact amount of which would be determined and audited in the coming weeks. The order of magnitude, however, appeared to be €6 million. The Board could waive the relevant Financial Regulation, as it had done on previous occasions as an exceptional measure, so as to permit the retention of a part of the 2004 cash surplus sufficient to cover the estimated costs of the meetings. That option would not divert Regular Budget funds allocated to other activities nor involve additional assessments using the scale of assessment.
- 23. The second and third options would both require approval by the Board and the General Conference; the first would not.
- 24. The representative of <u>MALAYSIA</u>*, speaking on behalf of NAM, said that the issue of funding was of the utmost importance as it might set a precedent and have implications for the financial contributions of Member States and/or other activities undertaken by the Agency. She said the work of the Advisory Committee should neither entail additional financial burdens on Member States, especially the developing countries, nor divert funds already allocated for other Agency activities, especially under Major Programme 6. The issue had to be resolved by consensus, taking into consideration the concerns of all members.
- 25. In order to formulate informed recommendations on the financing of its meetings, the Committee should have a document setting out the available options for financing as well as their implications both for the financial contributions of Member States and for the financial resources available for other programmes and activities. It should be distributed to all Member States in a timely manner to allow adequate examination of the options.
- 26. Also, developing Member States should be given assistance for appropriate participation in the work of the Advisory Committee. It was important that meetings of the Advisory Committee should not overlap with other scheduled United Nations meetings in Vienna since it was difficult for countries with small permanent missions, such as NAM members, to attend various meetings simultaneously. Taking into account such constraints, NAM considered that a maximum of three meetings of the Advisory Committee in 2006 would be sufficient. It was also of the view that the duration of meetings would be determined by the nature of the items to be discussed.
- 27. The representative of <u>CHILE</u>*, speaking on behalf of GRULAC, expressed concern about the issue of financing as GRULAC members were not in a position to undertake additional financial commitments. While thanking the Secretariat for document 2006/Note 3, he regretted the fact that it had been issued only the day before, thus precluding input from the capitals of Group members. Like the previous speaker, he asked for the Secretariat to provide a document to facilitate proper consideration of the options just presented by the Deputy Director General for Management. Financing was needed not only for meetings of the Advisory Committee but also for the activities set out in document 2006/Note 2 aimed at enhancing analytical capabilities. No estimates had yet been provided for the cost of such activities.
- 28. The representative of <u>SWITZERLAND</u>* said he would limit himself to general comments only owing to the late arrival of the documentation. The Secretariat's estimated costs for the Committee

of €800 000 a year were far too high. Every effort should be made to bring the costs down to a reasonable level.

- 29. To that end several measures could be envisaged. The Committee might hold only two or three meetings a year lasting a maximum of two days. Some meetings could be scheduled contiguously with Board meetings, thus helping to reduce travel costs for delegates. The Committee's substantive work must take place in a flexible setting, namely working groups or expert groups with one working language. Meeting dates ought to be fixed on a provisional basis only so that if there was very little to discuss or the documents were not ready in time they could be cancelled.
- 30. As to the options for financing, his delegation was against the third option whereby financing would come from the 2004 cash surplus. Those monies belonged to States that had paid their contributions in full and on time.
- 31. Optimum organization of the work of the Advisory Committee was essential in order to achieve good results.
- 32. The representative of <u>SLOVENIA</u>, having thanked the Deputy Director General for Management for his detailed explanation of the costs of organizing Advisory Committee meetings, said that the costs to delegations should not be overlooked. Also, the work schedule should be optimized so that meetings could be held on a single working day.
- 33. The representative of <u>CANADA</u> said his country hoped to see the Committee demonstrate its effectiveness by making concrete recommendations to the Board at its June 2006 meeting. For that to be possible, the Committee would need to meet perhaps twice before June 2006.
- 34. Canada was willing to participate not only in meetings of the Committee but also in working groups that might address in greater depth some of the issues. One of those topics, namely revision of the annexes to the Model Additional Protocol, would require the establishment of a open-ended working group of experts. The establishment of working groups would not only accelerate the work of the Committee but would also help to reduce costs. By moving some of the detailed work to working groups, the costs of the Committee could more easily be absorbed into the Regular Budget while ensuring that Committee remained effective.
- 35. The Canadian delegation was not convinced of the need for supplementary appropriations, particularly as the estimated cost for nine meetings, €800 000, represented about 0.3% of the Regular Budget.
- 36. The representative of <u>BRAZIL</u> said that her country looked forward to receiving a document from the Secretariat that would allow it to analyse the funding options described by the Deputy Director General for Management. She associated her delegation with the statements made by the representatives of NAM and GRULAC and endorsed the view that funding of the Committee involved costs associated not only with meetings but also with possible recommendations made by the Committee. Developing countries in general were not in a position to take on additional budgetary burdens. In that context, she recalled that in 2003 a deshielding package proposal had been approved. Furthermore, the balance between promotional and verification activities should be maintained.
- 37. The representative of <u>SWEDEN</u> said the Committee should be funded from the Regular Budget to maintain a clear sense of ownership among all Member States of the Committee's work, as well as of Member State responsibility for the outcome of that work.
- 38. However, her delegation felt that since the current Regular Budget did not contain any provision for funding the Committee, other solutions must be found. The extrabudgetary funding option put forward by the Deputy Director General for Management should be avoided as far as possible in order

to safeguard the Committee's credibility, and should in any case not extend beyond the current Regular Budget period.

- 39. The representative of <u>NIGERIA</u>*, having thanked the Secretariat for the useful documentation, said that the Committee should be funded through extrabudgetary contributions and the schedule of meetings should depend on the availability of such funds.
- 40. Her delegation welcomed the commencement of the Committee's work and looked forward to the results of that work, particularly efforts towards the universalization of comprehensive safeguards agreements and the NPT. It also hoped that the Committee would eventually help to establish a plan that would ensure access to nuclear fuel, particularly for developing countries wishing to acquire nuclear power plants for civilian and developmental purposes.
- 41. The representative of <u>CUBA</u> said financing of the Committee's activities was a sensitive issue for countries like Cuba that had to make great efforts to meet their financial obligations. Cuba would appreciate having a detailed written analysis of the funding options put forward by the Deputy Director General for Management so that they could be given careful consideration prior to any decision on the matter.
- 42. The representative of <u>ECUADOR</u> said that the options described by the Deputy Director for Management would be carefully studied by the Ecuadorian authorities. Funding of the Committee should not place an additional financial burden on countries nor should funds allocated to other activities, particularly those related to technical cooperation, have to be diverted.
- 43. The number of meetings scheduled should be determined strictly on the basis of necessity, and overlap with meetings planned by other international organizations should be avoided.
- 44. The representative of <u>ARGENTINA</u> said that it would be appropriate for Committee meetings to be scheduled adjacent to Board meetings, thereby facilitating greater attendance by experts and reducing the financial burden on smaller delegations. The participation of experts was an aspect of financing that cost estimates tended to overlook. She underlined that advance information of the specific topics to be addressed by the Committee, and taking into account the time required by the Secretariat to make documents available, would enable the Committee to make the best use of its time.
- 45. The representative of <u>EGYPT</u> said that his delegation shared the view that most developing countries were not in a position to take on additional financial commitments. Also, the activities of the Committee should not be funded at the expense of other Committees, particularly SAGTAC. He requested the Secretariat to provide as soon as possible a written document setting out the funding options and relevant budgetary implications outlined by the Deputy Director General for Management.
- 46. The representative of the <u>LIBYAN ARAB JAMAHIRIYA</u> said that his country attached great importance to the work of the Committee. He requested that the Secretariat issue a document on the various options for funding the Committee.
- 47. The estimated costs of meetings, presented in document 2006/Note 3, were excessive. They could be reduced by holding two or three meetings per year, each lasting two days, either immediately before or immediately following meetings of the Board.
- 48. The representative of <u>COLOMBIA</u> joined previous speakers in requesting the Secretariat to distribute a document on the financing options for meetings of the Committee for analysis by Member States.
- 49. Colombia had supported the creation of the Committee on the understanding that its activities should not entail additional financial burdens, which her Government was not in a position to assume.

The second option involving supplementary appropriation was therefore inadmissible. The same applied to any costs associated with enhancing the Secretariat's analytical capabilities as set down in document 2006/Note 2, which required time for consideration.

- 50. The representative of <u>GERMANY</u> also ruled out the second option for funding of the Committee on the grounds that it implied adaptation of the Agency's budget. Given that it was not possible to modify national budgets that had already been decided for 2006 in order to increase contributions to the Agency, that option was inadmissible at least for 2006.
- 51. He expressed the hope that the question of costs could be resolved before the Committee's next meeting thus avoiding lengthy debates on financing during future meetings and that a clear decision be taken regarding the Committee's work programme. Germany was not opposed to the establishment of working groups, which could be useful, once the work programme had been established.
- 52. The representative of the <u>UNITED KINGDOM</u> said his country was supportive of the Committee but would like to restrict its costs. His delegation would need time to study the funding options outlined by the Deputy Director General for Management.
- 53. Noting that a large proportion of the meeting costs were attributable to translation and interpretation, he said it was therefore reasonable to suppose that the conduct of meetings in one language would be beneficial. That could be achieved by the Committee establishing a working group to discuss substantive items such as the review of Annexes I and II to the Model Additional Protocol. The Committee itself would not need to meet until the working group had developed a proposal that would then be distributed to Member States well in advance of the Committee meeting for their proper consideration.
- 54. The representative of the <u>UNITED STATES OF AMERICA</u> said that her country would study the funding options outlined by the Deputy Director General for Management. In general, it expected either that the costs associated with the Committee would be programmed within existing funds so that there would be no Regular Budget increase, or that extrabudgetary resources would be identified.
- 55. Before arbitrarily setting a limit on the number of meetings of the Committee it was necessary to have a better idea of the work it would be carrying out. Perhaps, as suggested by the representative of Canada, two more meetings might be required in order for the Committee to submit recommendations to the June Board. On the other hand, the use of working groups could reduce the number of regular Committee meetings.
- 56. Finally, she pointed out that Article 16 of the Model Additional Protocol already provided for review of Annexes I and II on the advice of an open-ended working group of experts established by the Board.
- 57. The representative of <u>AUSTRALIA</u> said that whilst his delegation's understanding had hitherto been that the costs of the Committee would be absorbed by the Regular Budget it was willing to be flexible on the matter. His delegation noted that approximately two thirds of the estimated costs set down in document 2006/Note 3 were for translation and interpretation services. Considerable savings could be made if working groups operating in one language were set up to examine substantive matters. A key priority for a working group established by the Committee should be the review of Annexes I and II to the Model Additional Protocol, a matter on which there appeared to be a considerable degree of consensus.
- 58. His delegation hoped that the work of the Committee, and any working group or groups, would proceed expeditiously in order that recommendations could be submitted to the June Board.

- 59. The representative of <u>BELGIUM</u> said that, owing to the tardy issue of documentation for the current Committee meetings, her delegation reserved the right to return to the agenda items at a later stage. Her delegation shared Germany's view regarding budgetary implications.
- 60. The Committee should not waste precious time examining matters already under consideration in other Agency forums or engaging in lengthy formal discussions within the framework of the Committee itself.
- 61. Belgium had no preference regarding the frequency of meetings. Before making a decision in that regard, however, it was essential to establish the Committee's programme of work. Belgium supported the proposal that Committee meetings be held adjacent to Board meetings in order to save time, increase efficiency and facilitate the participation of experts.
- 62. The establishment of a working group to review Annexes I and II to the Model Additional Protocol should be deferred until a clear and principled position had been adopted on how to carry out the review.
- 63. The representative of the <u>SYRIAN ARAB REPUBLIC</u> reiterated reservations about the costs associated with the activities of the Committee. His delegation hoped the Secretariat would issue a document expanding on the funding options for the Committee presented by the Deputy Director General for Management. In that regard, countries must not be asked to assume any additional financial burden. Furthermore, the Committee's work should not affect the balance among the Agency's various statutory activities.
- 64. The representative of <u>PAKISTAN</u>* said that his delegation would not be in a position to put forward a concrete proposal or make specific comments regarding funding of the Committee until it had received a detailed explanation of the Secretariat's proposed options and had sought the guidance of its capital. At all events, developing countries were certainly in no position to bear additional costs.
- 65. The establishment of working groups was a false economy as it would in fact entail further expenses for developing countries and smaller delegations. In his delegation's view, it was desirable that the combined number of Committee and working group meetings not exceed three per year.
- 66. The representative of the <u>BOLIVARIAN REPUBLIC OF VENEZUELA</u> said that at least one of the Committee's meetings should take place adjacent to a Board meeting to minimize the burden on those delegations with financial constraints. Also, she expressed concern that the creation of working groups would entail additional costs to developing countries wishing to participate. Consideration should be given to ways of facilitating the participation and active cooperation of those countries as they had a significant contribution to make.
- 67. The <u>CHAIRPERSON</u> asked on what basis the meetings of the Committee had been funded to date.
- 68. The <u>DEPUTY DIRECTOR GENERAL FOR MANAGEMENT</u> said that the Committee's first session in November 2005 had been financed initially from the funds of the Secretariat of the Policy-Making Organs. However, since that body had already run out of discretionary funds as a result of the unexpected number of Board meetings in 2005, funds from other parts of Major Programme 7 had been used to 'reimburse' the expenses incurred for the meetings in 2005. The overrun was in the range of \$115 000. The current session of the Committee had the advantage of occurring early in the new budget year and was therefore being financed once again from the funds of the Secretariat of the Policy-Making Organs under the same Major Programme. However, given that funding might become more difficult later in the year, the Secretariat would welcome speedy resolution of the funding issue.

- 69. In conclusion, he said that the Secretariat would be happy to provide a document detailing the funding options he had outlined earlier.
- 70. The <u>CHAIRPERSON</u>, summing up, said that there appeared to be agreement in the Committee that no resources from the current Regular Budget should be diverted from existing programmes for the Committee's work. It was therefore necessary to find some other funding solution. Perhaps such a solution could be found in the light of a Secretariat document expanding on what had been said earlier in the meeting by the Deputy Director General for Management, who had put forward three options. The Secretariat should issue that document as soon as possible.
- 71. As regards the Committee's work programme, she believed that item 1 of the agenda for the current session Review and improvement of the effectiveness and efficiency of the safeguards system should feature on the agendas for all future sessions of the Committee, as it was an overarching item under which sub-items relating to specific issues could readily be included. On 11 November 2005, she had mentioned some of the specific issues suggested for the Committee's work programme², and further specific issues might well be suggested. The Committee might decide to entrust the consideration of some highly technical specific issues to working groups of experts.
- 72. In her view, the Committee's overall approach should be a twofold one. The Committee should focus on the obligations of Member States and on the ability of the Secretariat to undertake activities which met Member States' expectations. Documents relating to both aspects for example, one expanding on the presentation given by the Head of the Verification and Security Coordination Section would be needed.
- 73. The question of funding and that of the work programme were clearly linked, and she therefore did not think that the Committee should now try to decide on a starting date for its next session. For the sake of the Committee's credibility, it would be important to focus on very substantive matters and avoid meetings where only generalities were voiced. Immediately after the current session, she would begin holding informal consultations with regional groups and individual interested Member States both on the funding question and on the work programme question, and she would in due course come forward with a starting date for the Committee's next session in the light of those consultations.
- 74. The representative of <u>EGYPT</u> said that his delegation was looking forward to a Secretariat document on the implementation of safeguards related resolutions adopted by the General Conference and the Board of Governors.

The meeting rose at 11.50 a.m.

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² See GOV/COM.25/OR.2, paras 17 and 18.