VERBATIM RECORD OF THE SIXTEENTH MEETING OF THE MAIN COMMITTEE
Held on Tuesday, 16 October 1956
at 10.30 a.m.

Chairman: Mr. WINKLER (Vice-Chairman) (Czechoslovakia)

Contents:
Discussion of the Draft Statute of the International Atomic Energy Agency Article by Article (continued).
The following articles (with amendments thereto) were discussed:
Article XII
Article XIII
Article VII

Corrections should apply to the text of original speeches only (i.e., not to interpretations). They should be incorporated in four copies of the relevant record and sent to the Chief of Meetings Services, Department of Conference Services, Room 1104, with a covering letter signed by a responsible member of the Delegation, not later than four days after the date of the meeting.

56-27056
Mr. KHOMAN (Thailand): Speaking at this late stage of the discussions I need not go into the details but will proceed directly to the subject which in this case is constituted by the two opposing views. One is that the system of control and safeguards, as stipulated by the present draft statute, is adequate and therefore should be retained, roughly, as it is, while the other view is that it should be substantially altered.

My delegation, because of its careful approach to this very important problem, has thought it wise to delay its participation in the discussions so that we may have the benefit of a clear and comprehensive presentation by both sides. In this respect we have not been disappointed but rather enlightened by many concise and constructive statements which have brought the discussions to the highest level. For us the difficulty of the situation seems to have arisen from the partial application of the system of safeguards and control to only a limited area, the area of the Agency, while outside that, the area of unbridled freedom from any kind of restrictions and safeguards extends beyond the horizon.

This, I believe, is the source from which springs the acute divergence of views; and with the system of safeguards to be applied uniformly and without exception to each and every one of us, no difficulty would probably have arisen.
In this connexion it has been suggested that the differentiation is a fact for which the Agency is not responsible. This may be so from the juridical point of view and as far as the Agency is concerned, but no one, I believe, can deny that for each and every one of the Governments which will have to take the decision of placing their respective countries under the Agency's control, this unequal situation is uppermost in their minds.

We have also been told that this is the price which has to be paid by some of us. I regret respectfully to have to disagree because, for the sovereign rights of my country and, for that matter, of any country, there cannot be, nor will there ever be, any price tag. The justification must, therefore, be found elsewhere. Those of us who may eventually decide to place our countries under this or a revised system of safeguards and control will do so with a clear conscience in the knowledge that our voluntary and exemplary sacrifice will not be in vain, but will be followed by others who may some time later decide to join our ranks. This, I submit, is not a purely chimerical or quixotic position in international affairs. Already, through the medium of bilateral agreements, the sphere of the application of safeguards and control is being enlarged to include not necessarily economically retarded countries, but a number of those which are technically advanced. I would go further and venture to say that even those privileged few which, because of their highly developed economic systems, are at present exempted from control, may not feel that this unchecked freedom represents such a marked advantage and, provided certain conditions are realized, they might not be unwilling to exchange this freedom from control for the security of suitable safeguards.

To support this contention I can quote no higher authority than the President of the United States who, in his letter dated 1 March 1956 to Chairman Bulganin of the Soviet Union, wrote the following:

".... the United States would be prepared to work out, with other nations, suitable and safeguarded arrangements so that future production of fissionable materials anywhere in the world would no longer be used to increase the stockpiles of explosive weapons."

And he continued:
"I am mindful of the difficulties in this regard, pointed out in your Government's proposals of May 10, 1955, arising from the possibilities for evading international control and organizing the clandestine manufacture of atomic and hydrogen weapons. The risks inherent in failing to achieve control, however, make it imperative to overcome the difficulties involved and to devise and implement an effective system of safeguards." (DC/SC.1/37, Annex 1, page 2)

This should be, in our humble opinion, the ultimate goal that we must pursue, and not the quid pro quo of control in return for atomic development.

If the above represents a worthwhile justification for sacrifice to be consented to by so many, nothing should then be left undone to encourage such a sacrifice and to reduce as far as possible the effects both on national pride and on national economy.

It has been argued in this Committee, I believe, by the representative of the United Kingdom, that a hypothetically unscrupulous State might violate the statute and divert fissionable materials to military use; therefore, safeguards were necessary. Would it not be equally unlikely, but possible, to envisage a Board of Governors which, as composed at present of twelve producers, against ten consumers and one provider of technical assistance, might take decisions which might be detrimental to a recipient State? If that is also a possibility, then checks and balances are necessary so as to reassure the multitude of recipient States that, by joining the Agency, they are not going to mortgage their economic future in the hands of twelve or even twenty-three members of the Board of Governors.

This can be done, although I believe that the methods may vary. The four sponsors of amendment 5 to article XII have thought it wise to reduce the scope of the system of control and safeguards and try to tailor it to the variety of requirements and to establish a relationship between assistance received and control. As far as my delegation is concerned, and basing itself on the fact that, since the draft statute is a constitutional document, we give our preference to the clarifying clauses and guiding principles which will be embodied in the statute and will bind the Board of Governors in all its decisions, while leaving to it a certain measure of discretion, but not arbitrariness, in fixing the detailed application of safeguards and control within the limits provided for by the statute.
Such being our position, my delegation will favour such clarifying clauses as the one suggested by the representative of Canada or the other one suggested by the representative of Uruguay. We feel, however, that these clauses do not go far enough. In applying the safeguards and controls the Agency should, in our view, also bear in mind the effects of these safeguards on the national economy and national atomic development programmes for peaceful uses in the recipient States and should as far as possible avoid causing harmful effects on the national economy and on the atomic development programmes.

On the other hand, we must try to avoid the grave objection mentioned by the representative of India, whose statement on this point has, I believe, remained unanswered. This objection was to the effect that by applying this system of safeguards and control the Agency must not place the recipient nations in atomic bondage for generations to come. This, I believe, is not the objective of the authors of the draft statute, but we must make sure that such will not be the practical result of the application of safeguards.

In consequence, article XII, paragraph A, may be revised, in our view, by adding the words "and limit" after the words "to the extent" on the third line and by adding the following clause at the end of the paragraph:

"and with due consideration to the burden of the safeguards as well as the effects their application may have upon the national economy and national programmes of atomic development for peaceful uses of recipient States."

The suggested revised paragraph A would then read as follows:

"With respect to any Agency project or other arrangement where the Agency is requested by the parties concerned to apply safeguards, the Agency shall have the following rights and responsibilities to the extent and limit relevant to the project or arrangement and with due consideration to the burden of the safeguards as well as the effects their application may have upon the national economy and national programmes of atomic development for peaceful uses of recipient States."
I may add that the wording of this suggestion is purely tentative and may be improved upon should it receive support in this Committee.

I should like also to say that my delegation appreciates the many assurances which were given by a number of representatives of the sponsoring nations as to their interpretation of how the safeguards provided for in article XII should in practice be applied. However, since it has been said, perhaps rightly, that confidence is not at the present juncture sufficient to regulate the functioning of the Agency, written clauses will therefore be necessary, as are physical safeguards, in order to clarify what the Agency can do and cannot do.

With regard to the suggestion made by the representative of India that the assistance of the Agency should not be extended to those States which maintain a parallel military programme of atomic development, my delegation feels that it is quite logical since the paramount preoccupation of this Agency is the peaceful uses of atomic energy and since it is common knowledge that the benefit from a civilian programme of atomic development may with ease be transferred directly or indirectly to the military programme. Therefore, if assistance is given by the Agency to the civilian programme, the benefit may pass on to the military programme. I must say, however, that we doubt whether in practice such a case will present itself, since the mere fact that a country has a military programme of atomic development indicates that it has reached an advanced stage of nuclear development, and therefore it is unlikely that a request will be made for assistance from the Agency for a non-military programme.

In closing, I wish to say that my delegation will be glad to extend our support to the Swiss amendments, which, in our view, clarify and improve upon paragraph A 6 of article XII.

Mr. BENEGAS LYNCH (Argentina)(interpretation from Spanish): My delegation has followed with great interest the very interesting debate that has taken place on article XII and the amendments thereto submitted by various countries. As was pointed out yesterday in this same room, no one during the course of the debate has denied the necessity for some type of control. The discrepancy which has become manifest bears upon the nature and extent of this control. We are confident that a more adequate drafting, one more in line with the high purpose of the draft statute, may result from this discussion.
I do not want to stress the arguments which have here been advanced in favour of establishing control measures. We are all inspired by the idea of having these tremendous atomic forces used for peaceful purposes. We are aware of the very great importance of these safeguards for this Agency. We have already made this statement when we spoke of the draft statute as a whole, and we fully agree with the representative of Australia in his statement that this is one of the key articles in the whole draft statute.

The point involved in this article is both important and delicate. It has been stated during the course of the discussion that an excess of control might endanger and imperil the objective we seek. I would add that perhaps the success of the Agency might be frustrated by ill-conceived safeguards or inadequate safeguards.
Amendment 5, submitted by the delegations of Ceylon, Egypt, India and Indonesia, has been the subject of a warm and controversial debate.

The clarifications made in very timely fashion by the representative of the United States as to the interpretation to be placed on article XII have, to our mind, effectively helped to dispel many doubts as to the magnitude and scope of these safeguards. According to what we heard yesterday, a compromise text is at present being drafted, and we await this compromise text with great interest before deciding upon our vote. We hope that this text will, in a more precise way than the original text, establish limits to these Agency safeguards. The amendments to be found in document IAEA/CS/Art.XII/Amend.1/Corr.1/Rev.1 and in Conference Room Paper No. 6, moved by the representative of Switzerland, do contribute to clarifying the meaning of the safeguards mentioned in article XII, and we shall therefore vote in favour of those amendments.

Mr. KING (Liberia): My delegation has sought this opportunity to intervene in the debates in which the Committee has been engaged since 10 October. During all this time, the Committee has comprehensively discussed the amendments which have been proposed to article XII of the draft statute. This article deals with the system of controls and safeguards of both source and fissionable materials which are to be applied by the Agency, when set up, to countries asking for assistance, thus guaranteeing that assistance provided by it or at its request or under its supervision or control is not used in such a way as to endanger health throughout the world or to further any military purpose which would endanger peace throughout the world and affect the prosperity of nations and peoples.

The amendments, as my delegation has endeavoured to understand them from the texts tabled by the delegations of the five Powers, as well as from the elucidating and illuminating discourses by other representatives who have participated thus far in these debates, would seem to proffer for our consideration a revised text of article XII that would (a) have safeguards subjected to agreement between the Agency and the country or countries receiving assistance, (b) eliminate safeguards over source materials, and (c) provide that fissionable by-products from Agency-assisted projects not needed for immediate peaceful uses may not be deposited with the Agency -- or, in other words, permit and sanction the
stockpiling by individual members of quantities of plutonium and other weapon-grade material, creating thereby the risk of its divergence to military weapons.

My delegation has been greatly benefited, and I dare say many others have been, by the papers which have been submitted on the texts of the amendments to article XII now before us for our consideration. The arguments presented in favour of the proposed amendments, however, have failed to convince my delegation of the soundness and correctness of the views of those who advocate the elimination of such proper and adequate safeguards and controls from article XII. I shall briefly state my delegation's views regarding its position.

My delegation is of the view that any international agency set up to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world and to ensure, within human limitations, that assistance provided by the Agency is not used to further any military purposes, must have conferred upon it the authority to see to it that these objectives, if seriously and earnestly desired by the nations of the world making up such an international body, become paramount and of first importance in consideration of any applications for aid by any country or countries applying to the Agency for such assistance. It ought therefore to be an indispensable prerequisite to the granting of any assistance to any country or countries, whether those countries be in the category of the technologically more highly advanced countries or in the category of the less developed or undeveloped ones. The potential danger to peace from the use of these materials without adequate control and safeguard systems is incontrovertible. The peril would indeed be imminent.

My delegation therefore could not support any amendment which failed to remove the great hazards that an uncontrolled system of safeguards imposes on the peoples of the world.

The thought has been advanced — well-meaningly, I do not doubt — that "source materials are far more abundant and represent, in the chain of atomic materials processing, a step further removed from fissionable material proper and therefore from possible military application." With equal emphasis it has also been suggested that "the combination of article XI, paragraph F 4, which provides for undertakings that the assistance provided shall not be used in such a way as to further any military purposes, and article XII, paragraph A 6, permits, in cases
open to suspicion, the carrying out of controls which would make sure that the fissionable materials in point were not used for military purposes". Further, the representative of France has insisted that "it is sufficient that a country which has received source material from the Agency should keep the Agency informed of its place of storage and of its progressive utilization".

Here statesmen are concerned with the possibility of diversion of these source materials from peaceful uses to military purposes. Concerted efforts are being put forth by all peace-loving peoples to ban the use of atomic energy for military purposes. Hence, the attempt to establish controls with safeguards as effective as is humanly possible.

I believe it has been pointed out by some delegations that the sovereign rights of member States would be impaired and infringed if controls and safeguards such as are envisaged in article XII were adopted. This suggestion would seem to strengthen and support the desirability of the inclusion of as rigid an accountability as possible for such source materials supplied by the Agency. It is conceded, with certain qualifications, that States composing an international organization should not have their sovereignty impaired, and therefore we jealously guard against any attempt to do so in international agreements or treaties. But the stubborn fact that we are considering a potential danger to the continuation of everything that Western and Eastern civilizations have given to man over the centuries, and a danger to humanity itself -- a danger attested by the scientists of the world -- would seem to indicate that it were best that a little of our often vaunted sovereignty be surrendered for the preservation of mankind, if need be, so that man may at long last engage in peaceful, constructive co-operative endeavours in the honest pursuits of life.

The representatives of Australia, Canada and New Zealand have stated precisely and frankly what I would have wished to elaborate. I do not find it necessary to repeat the points already made.

My delegation considers article XII to be at least as important to our consideration of the draft statute as article VI, dealing with the composition of the Board of Governors. It therefore views any lessening of the controls contemplated as seriously undermining the effectiveness of the Agency which is to
be set up under the statute, if and when adopted. I therefore regret that my delegation does not find it possible to lend its support to the five-Power amendment to article XII.

My delegation, while agreeing in spirit and intent with the amendment proposed by the delegation of the Philippines with respect to the composition of a mission of inspection, believes that the designation of countries by name, as regards such a mission of inspection, should not be spelled out in the statute.
Mr. GIRETTI (Italy) (interpretation from French): We hope that for once those who speak last will not be at a disadvantage. My delegation has had an opportunity to listen to high-level discussion which has helped to clarify many issues and, we hope, to dispel many doubts. As the representative of Switzerland pointed out yesterday, this tribute has to be paid in part to the representatives of countries which submitted amendments to article XII of the statute. It is an all the more pleasant duty for me to pay tribute to them since my delegation is in no position to associate itself with their proposals.

We have considered from the very beginning, and we continue to consider, that one of the fundamental principles of the activities of our future Agency should be that it and the international co-operation which will take place through it should not in any way contribute to an increase of the destructive potential of atomic weapons already existing in the world. On that point there is no disagreement here.

From this principle the necessity of controls follows, and here again we all agree. Different opinions have been expressed, however, on the scope of the controls. For our part, we see no difficulty in accepting strict controls, it being understood that they will be limited to one single task -- that is to say, that the Agency's assistance should not be used to achieve, directly or indirectly, objectives which are not in the interest of peace. Assurances have been given in this connexion, and I should like to recall the very cogent statement of the representative of the United Kingdom, which made a deep impression upon us.

It is regrettable, certainly, that the controls provided for in article XII could not be applied immediately to all countries without exception, but it is wise and, I think, realistic to accept this situation, hoping that it will improve as time goes on. To seek too high a degree of perfection and to try to achieve too much reciprocity would lead us away from realistic achievement. That might jeopardize the present and future possibilities of hastening the development of atomic energy and increasing its part in the prosperity of the world. The country which I have the honour to represent is second to none in its jealousy for its independence and sovereignty, but we do not see in the controls provided for in the draft statute any encroachment upon our sovereign rights. In the exercise of our sovereignty, and of our own free will, we do not intend to use atomic energy for military ends.
By means of domestic legislation we shall subject our citizens to strict controls in this field, and with this partial and voluntary limitation of the exercise of our sovereign rights -- a limitation which, incidentally, appears in any international agreement -- we shall find no difficulty in integrating the system of domestic controls which we contemplate with a general system of international control. As has been brilliantly explained by the representative of Belgium, international controls will not slow down the development of the peaceful uses of atomic energy to a greater extent than national controls.

In connexion with this question of controls, I should not like to pass over in silence arguments which appear striking, at first sight at least, and which were presented here with regard to the staggering in time of Agency controls over by-products and products of irradiation of fissionable materials. We were told that here a chain was being forged, with an ever-increasing number of links, which would hold down for ever the countries which were not fortunate enough to participate in the dawn of atomic energy. I believe that there are many counterarguments to oppose to this view. First, because of the vertiginous progress of the development of atomic energy -- and I should like to request the permission of the representative of Uruguay to use this word "vertiginous" -- we shall find ourselves, within a matter of a few years, in a situation radically different from that which obtains at present, with regard both to source materials and to their processing. When that time comes we hope that the Agency's controls will extend to all the countries of the world. Without making any undue concession to over-optimism, we may expect that controls will broaden and become all-embracing within a relatively near future, and that we shall all accept them with the same rights and obligations. At the same time, side by side with controls over by-products and by-products of by-products, we shall maintain domestic controls which also might be depicted by some as eternal since they are extended from one generation of products to the next. But we find it natural enough to continue to apply national controls.

Why, then, should international controls, limited to military uses, appear so absurd or unnatural? Far more important and interesting from the point of view of the problem of controls is the interpretation of the representative of Canada of paragraph A 5 of article XII according to which fissionable materials
recuperated, as well as by-products, should be viewed as the property of the country in which they are produced. We should like to see a further clarification which would permit the storing of these products in the country itself -- under the control of the Agency, of course -- while avoiding, necessarily, the stockpiling of quantities exceeding that country's requirements.

So much for the question of controls. With regard to the problem of inspectors, I believe that for the time being we have to trust to their common sense and their intelligence in the discharge of their delicate task. Like those who prove the existence of movement by walking, the controls will prove their wisdom by controlling, and the inspectors will prove theirs by inspecting.

I apologize for wearying the Committee at such length, but I would not like to conclude without repeating the sincere and deeply felt conviction of my delegation that we shall be able to turn to the Agency without fearing any encroachment upon our sovereignty and independence. After the clarifications and explanations we have heard with regard to article XII and the reasonable amendments which may be incorporated therein as the result of the present negotiations, we would approve that article.
I insist on this point because we view the Agency as the instrument, the effective tool, which will permit us to bridge the gap between the different levels of economic development separating the under-developed from the industrialized, advanced countries. Italy faces ever-increasing shortages of power. It is a country which, without being under-developed by the established definition, views the problems of under-developed countries with special sympathy and understanding because of the existence within its boundaries of a large under-developed area such as southern Italy. We who must narrow the gap between the south and the north of our country, we who perfectly well understand the legitimate aspirations of all under-developed countries, we who know their hardships and sufferings because they are partially ours, fully trust the Agency. This Agency, far from increasing the division of the world between the haves and the have-nots, will, we are sure -- provided the scope of its activities is wide enough -- become the necessary motivating force for the progress of the less favoured countries.

Mr. Zarubin (Union of Soviet Socialist Republics): On behalf of the Soviet Union delegation, I should like to make a few comments regarding some of the amendments to article XII of the draft statute.

I shall refer first to amendment 3, submitted by the delegation of Poland. In some cases -- particularly in the consideration of financial questions -- it would not be enough to have the Board of Governors take its decisions by simple majority vote. In such cases, a special majority is required. We consider that a provision on these lines should be included in section C of article XII. Article XII deals with sanctions which may be imposed upon non-complying members. There can hardly be any objection to the contention that decisions in this respect will be responsible decisions, and that any errors might, on the one hand, cause great harm to individual members of the Agency and, on the other hand, lead to a loss of the Agency's authority. The amendment submitted by the Polish delegation provides that decisions having the character of sanctions against members of the Agency should be taken by a two-thirds majority of those present and voting in the Board of Governors. Such a provision can only contribute to avoiding errors and enhancing the authority of decisions taken in this field. The Soviet Union delegation will support the Polish amendment.
I turn now to the amendments to article XII submitted by the delegation of Switzerland. The Soviet Union delegation believes that these amendments are worthy of serious consideration.

Paragraph A 1 of article XII provides that the Agency shall "approve the design of any specialized equipment and facilities, including nuclear reactors". This part of the draft statute is designed to establish control over all equipment and facilities built with the Agency's assistance, and to ensure that such equipment and facilities will be used for peaceful purposes only. The present language of this provision, however, might cause great difficulties in the practical operation of the Agency and might lead to dissatisfaction on the part of the recipient countries. In order to approve the design of any specialized equipment and facilities, including nuclear reactors, the Agency will have to ask for complete details of the contemplated project from the country concerned. In the study of such detailed information, misunderstandings may arise because the experts of the Agency may disagree with some technical decision taken or choice made by the experts of the recipient country. All this might delay the implementation of the project. The amendment submitted by the delegation of Switzerland proposes the following text for paragraph A 1:

"To examine the design of any specialized equipment and facilities, including nuclear reactors, to ensure that they are used only for civilian purposes and to facilitate the effective application of safety measures".

We believe that such a provision in the statute would make it clear that the design of specialized equipment and facilities should, so to speak, be certified by the Agency as non-military. We believe that that is the best possible wording; it is more precise and would free the countries receiving assistance from the Agency from the obligation of submitting the smallest details concerning contemplated projects.

The next amendment proposed by Switzerland concerns paragraph A 6 of article XII. Under the amendment, recipient countries would be permitted to appoint representatives to accompany the inspectors of the Agency in the discharge of their task. This would serve the interests both of the States concerned and of the Agency itself. The Soviet Union delegation regards this as a reasonable amendment and will support and vote in favour of it.
With regard to the Philippine amendment, the Soviet delegation takes the following position. During the consideration of the draft statute by the representatives of the twelve countries, a rather lengthy discussion developed on paragraph C of article XII, as a result of which the text as it now stands was finally drafted. It is well known that fissionable materials are not only sources of energy for peaceful purposes, but they can also be used for the production of weapons of mass destruction. Therefore, in order to make sure that the assistance given by the Agency will be used for peace and not for the preparation of war, searching and continuous efforts are required. In the case of non-compliance, the Agency will be obliged to report to the Security Council without delay, since the Security Council is the main organ responsible for the maintenance of international peace and security. The Agency should report to the Security Council, and not to any other organ of the United Nations, as the Philippine delegation proposes. The delegation of the Soviet Union, therefore, cannot accept the first part of the Philippine amendment.

The second part of the amendment proposed by the Philippine delegation calls for the addition of a new paragraph concerning the composition of the missions of inspection. The delegation of the Soviet Union cannot see any necessity for this addition, since the statute already contains sufficient indication as to the measures which the Board of Governors must take if assistance given by the Agency is illegally diverted to military ends. Further, paragraph D of article XI clearly states that the inspectors of the Agency may be sent to the recipient countries only with the agreement of that country. Unfortunately, the Philippine amendment runs counter to the terms of that paragraph, and, therefore, we shall have to vote against it.

With regard to amendment 5, submitted by the four Powers, I understood from the debate yesterday that negotiations are continuing between the sponsors of the amendment, on the one hand, and representatives of interested countries, on the other hand. I therefore reserve my right to speak on this amendment when it has been consolidated and submitted to this Committee in its final form.
Mr. GARIN (Portugal): The Portuguese delegation wishes to make a brief statement on the amendments which have been submitted to article XII. We shall gladly give our support to parts 1, 2 and 3 of the Swiss amendment, as revised, because we think they will bring important and useful improvements to the draft statute. The amendment, in our view, also has the great merit of making more palatable certain requirements of the inspection system.

With regard to the Polish amendment, we believe that, if it is approved, it might later on be responsible for creating very embarrassing situations. The action of the Board in all pertinent cases will have to be taken upon reports of non-compliance submitted by the inspectors through the Director-General. When such cases reach the Board, both the inspectors and the Director-General will have to sustain these cases of non-compliance, and certainly they will always do it in a very factual manner. Therefore, it does not seem necessary to tie further the hands of the Board with the requirement of a two-thirds majority for their decisions which may sometimes be of a very urgent character.

Furthermore, for the extreme penalty of the suspension of a member from the Agency, the draft statute already foresees that a decision by a two-thirds majority will have to be taken by the General Conference.

The Portuguese delegation also will be unable to support part 2 of the Philippine amendment. It would seem rather unwise to choose inspectors from only a very limited number of countries. What is of paramount importance in this matter is the technical ability and integrity of the inspectors, and not their nationality, as the Australian representative has already pointed out. We should also remember that the Philippine amendment would come into conflict with paragraph A 6 of article XII, which states that the inspectors will be designated by the Agency after consultation with the State or States concerned.

With regard to the four-Power amendment dealing with the crucial matter of safeguards, the Portuguese delegation has followed with the greatest of interest the illuminating debate that has taken place on this matter. May we attempt to sum up the present position? There is no doubt that a general and deep sense of responsibility is shared by all the delegations. None of us wish to create an Agency that might, either directly or indirectly, contribute to further the development of nuclear weapons in the world. That is why we adopted, without a dissenting voice, such a principle in article II of the statute.
All of us have also agreed that, for the practical implementation of this principle, a system of controls and safeguards is required. At this point, however, our common views ended and divergencies arose. Many of us are thinking mostly of finding a practical, effective and, if possible, a water-tight implementation of the principle we adopted in article II of the statute, while others, quite understandably, have additional considerations in mind. It seems to us undeniable that our discussions have shown that article XII of the draft statute contains the only system of controls and safeguards so far devised that can give us as effective and real a guarantee as can at this stage be conceived to ensure that the activities of the Agency will serve only peaceful purposes.

On the other hand, the amendment introduced by the four Powers undoubtedly would bring substantial alterations to the system of safeguards and controls devised in article XII, and would weaken to a great extent, as our discussions also have shown, the implementation of the principle accepted by the Conference in article II.

The representative of the United States informed us yesterday that his delegation is continuing to seek a satisfactory solution and that negotiations to that end with other delegations are underway. Because of this, at least at this stage, we do not wish to elaborate further on the problem which confronts us. We earnestly hope that a satisfactory solution can be found, if possible, a solution acceptable to all of us, but we continue to believe that such a formula will have to contain the main and essential features of article XII if, in fact, we wish to implement our desire to guarantee that this Agency will not run the risk of serving any other purposes but the high and noble purposes we have in mind.
Mr. PASECHNIK (Ukrainian Soviet Socialist Republic) (interpretation from Russian): In accordance with the request of the Chair, I shall be as brief as possible.

There is no necessity to prove that the question of the safeguards which the Agency will apply is one of the essential issues in the draft statute. The discussion which has unfolded here bears me out. It also shows that article XII calls for improvements.

As you know, the draft statute provides for safeguards in the field of health and safety, safeguards designed to ensure that the materials supplied are used for peaceful purposes only and safeguards designed to ensure an adequate system of inspection. With respect to the health and safety safeguards, we have no special points to make. The difficulties arose from paragraph A 1 and paragraph A 3 of article XII. According to these paragraphs, the Agency will control and later inspect both source and fissionable materials, whatever their origin.

The first matter which is worthy of notice is that in the field of controls there seems to be no demarcation line between source materials and fissionable materials. Source materials and methods of processing are subjected to the same searching controls as those which apply to fissionable materials, which indeed might be diverted to military ends. It is clear enough that source materials which have not gone through the lengthy and costly process of isotope separation or irradiation cannot be used for the production of atomic weapons, and there does not seem to be any need for special controls of the Agency over their use. The development of atomic energy for peaceful purposes makes it imperative to amend this part of article XII, and the amendments of India, Ceylon, Indonesia and Egypt in document IAEA/CS/Art.XII/amend.5 are particularly interesting in this respect. We are told that negotiations are being conducted at present which might lead to a compromise solution. However, we do not yet know what the results of these negotiations will be, and we should like to speak to these amendments as they stand at present.
We feel that the arguments in favour of these amendments, which were so cogently stated yesterday by the representative of India, are very convincing. The necessity for amending this part of article XII appears obvious as soon as we attempt to find a logical answer to the following question: What might the possible consequences of the present text be with respect to submitting complete reports and accounting for all the fissionable materials in the recipient countries, without limiting this accounting system to the materials supplied by the Agency itself? The representatives of India, Ceylon and other countries have already answered this question. The application of article XII might freeze the economy of the country concerned. Many countries might be compelled to seek other ways of developing the atomic energy resources rather than turning to the Agency and accepting these hard and fast controls. We are therefore in favour of deleting the words "source and" in paragraph A 3. We are also in favour of adding the word "supplied" after the word "materials" in the same paragraph. If these amendments were not embodied in the proposal, the controls of the Agency would extend to materials never supplied by the Agency.

I want to call attention to another point. The amendments of Ceylon, Egypt, Indonesia and India are an excellent compromise which the authors of the draft statute might willingly accept.

In the light of the amendments of the four countries and the objections which were presented to them, it seems to me that the conclusion is all in favour of the amendments. The representative of Australia, for instance, argued that the four-Power amendments actually destroyed the system of controls. This is far from true. If we translated into technical terms what the representative of Australia said, it would appear that he argued that the statute should guarantee that not a single neutron which appeared in the course of the processing and irradiation of materials should escape the net of controls of the Agency. After all, the amendments of the four Powers are reasonable enough when, for instance, in their sub-paragraph A 3 (b) they ask that the Agency
"...be informed of the means to be used for the processing of source materials supplied after irradiation, and of the disposition of special fissionable material recovered therefrom, and to require accountability for such recovered material to the extent necessary to ensure that it is used only for peaceful purposes;".

Thus the amendment of the four Powers, far from removing control over irradiated materials, takes this control as its premise. But at the same time it improves the language of article XII. It leaves some freedom of action to the recipient States to dispose of the special material secured after irradiation under the control of the Agency. This amendment starts from the assumption that any State is free to use the special fissionable materials obtained in its territory, while the Agency retains the right to make sure that these special fissionable materials are used for peaceful purposes only.

Thus the amendments of the four Powers improve upon the draft statute since, far from excluding control measures, they assume such control. At the same time, however, they endeavour to avoid any undue interference in the domestic affairs of the recipient States by the Agency.

For these reasons, we support the amendments of Ceylon, Egypt, India and Indonesia. We also support the amendment of Poland for the reasons so aptly explained by the representative of Poland himself. We also support the amendment of Switzerland.
Sir Percy SPENDER (Australia): I have asked for permission to speak at the end of the debate in order to make a few brief remarks with respect to some misunderstanding which appears to have arisen in the mind of my colleague, the representative of Egypt in regard to what I said during the course of my initial remarks.

May I say at the outset that I understood the sincerity of the motives which prompted the four Powers in introducing their amendment. During the debate I listened with understanding, and not without a great deal of sympathy, to the viewpoints that they have expressed. But neither my understanding nor my sympathy with much of what they said has persuaded me to support the amendment which they have put forward. However, their amendment has been most useful, and I think we are indebted to them because it has permitted an exhaustive and illuminating debate to take place upon this critical article in the statute.

The observation which I want to make relates to something which fell from the mouth of the representative of Egypt when he spoke. He said:

"I was greatly interested and, if I may say so, startled to hear on Wednesday that we had co-sponsored this amendment in order to evade controls and safeguards against the military use of atomic energy. The logical conclusion from that would be that Ceylon, India, Indonesia and Egypt are planning to manufacture atomic weapons and are introducing this amendment in order to set themselves and others free for the task." (IAEA/CS/OR.27, p. 26)

May I say that not only was such a thought remote from my mind, but also it was not even in my mind. I was dealing with this matter as one of principle. I know that spoken words are sometimes poor clothing for one's thoughts, and I would be loath to think that anything which I said would have any such signification. So I took the trouble of looking at what I did say, and, if I may be pardoned, I should like to repeat it for the record so that it may be made quite clear that no such suggestion was made by me. I said:

"Perhaps I might give an illustration of what could happen if this amendment were passed. Let us assume a mythical country -- not completely mythical" -- because we are dealing with a matter of principle and a matter of substance -- "but mythical for the purpose of argument. Let it be
any particular country that was so disposed. I am not suggesting that any country is so disposed, but we are concerned with laying down the foundations of a statute to give us all 'necessary safeguards.'" (IAEA/CS/OR.24, p. 61)

I think it is clear from that that I, under no circumstances, made any such suggestion, and I hope this short explanation, if such it may be called, will remove any misunderstanding which may yet remain in the mind of my colleague from Egypt. Having said that, may I conclude by remarking that we have heard in this debate the opposing viewpoints expressed. I confess that nothing which has been said persuades me to resile at all from anything which I put forward in the course of my initial remarks. I am aware, however, of the misgivings that are in the minds of some of the representatives who have expressed their views in the course of this debate. While I believe that the statute must be adhered to, and that the controls must be adhered to, I think that any clarification which may go towards meeting the viewpoints which have been expressed by the four Powers and others is advisable. My own feeling is that the amendment which was suggested by the representative of Canada is the clarification which should go sufficiently far to meet those misgivings. I do not believe, if such an amendment were accepted, that it could with any rationality be said that there is any danger of interference by the Agency with the national development and economic plans of any country.

I think that the amendment which was put forward by the representative of Canada to article XII, paragraph A 5, goes sufficiently far to meet those misgivings. However, I do not close my mind, in view of what has been said by the representative of the United States, but I am convinced that we should adhere to the substance of the safeguards which are laid down in article XII, and only clarification is called for.

Mr. CHRYSANTHOPOULOS (Greece): The Greek delegation has listened carefully to the arguments so ably presented by the many delegations which spoke previously. It is also with great satisfaction that our delegation has heard that consultations have begun for the purpose of finding a final text which is generally acceptable to all. May I express the hope that these negotiations will prove successful. I should, however, like to point out that it will take
some years before the application of article XII becomes possible. The Agency first has to be set up. Personnel has to be appointed. Agreements with the Member States must be drawn up for the execution of specific projects. It will take years for these projects to be completed, and controls will begin only some time after the projects start operating. Therefore, if general agreement on a revised text of article XII does not prove feasible at this time, which I sincerely hope will not be the case, I would suggest that the voting on article XII be postponed until after article XVIII and the amendments thereon have been discussed and voted upon. If, for instance, the Mexican amendment relative to the review of the statute after five years is voted into the statute, it will make it easier for most delegations to accept article XII as it is at the present moment, as it is insufficiently amended in the eyes of some delegations, and in view of the fact that in any case it is highly improbable that the necessity for its application will arise before the expiration of the first five years of the life of the Agency, at which time article XII will again become open to revision in the light of the experience acquired during this initial period.

Mr. KATZ-SUCHY (Poland): I asked to speak in order to reply to a few comments which were made during this debate in connexion with the amendment which has been submitted by my delegation to article XII.

Before I do so, may I dwell for a moment on the amendment submitted by the four Powers, an amendment which has been the subject of wide debate in this Committee during the last few meetings. I believe that the debate shows a very clear alignment of those who are supporting the amendment and those who are opposing it. The supporters and opposers of the amendment by no means define the position with regard to control in general. The majority of those who spoke in support of the amendment have been mostly countries which can be foreseen as those countries which may in the future apply to the Agency for assistance, countries to whom the assistance of the Agency is of extreme importance if they wish to develop that new source of energy in their countries which atomic power may give. These countries can by no means be accused of being able, even if they possess atomic raw materials to produce atomic weapons or as being interested in starting a world conflagration. These countries
have pointed to the danger which strict controls, especially such controls which may in the future cover all of the raw materials of the country -- those countries have shown that the primary interest of the Agency must be not in applying control but in creating such conditions under which aid will be possible.
The representative of the United States and others who spoke here made it
known that some kind of negotiations for a satisfactory solution of the dispute
which has arisen around the amendment is taking place. May I express the hope
of my delegation that if there is a possibility of a satisfactory solution, it
should take into consideration all the views expressed before this Committee,
especially those views which have clearly shown the implications which the full
application of the provisions of article XII may have upon the economy of the
countries applying for aid, and therefore upon the whole future trend of the
activities of the Agency.

I also believe, in order to proceed further with the consideration of
article XII and before passing to the vote, that some kind of an authoritative
or authentic interpretation of that article should be given by the sponsors of
the draft statute, especially by the great Powers which participated in the
working level group at Washington. In spite of all the arguments we have heard
for and against the amendment, we are still extending our support to the
amendment. Our views on control and the implication of control have already
been fully explained both in the general debate and in the discussion on
article XII. We consider — and some delegations have already pointed it out —
that the four-Power amendment is an attempt at a compromise solution; it is an
attempt to reach such a solution which, while maintaining the full power of
control as envisaged in article XII, at the same time gives way to legitimate
desires of small countries which may in the future, because of necessity, have to
base all their power and all their energy on atomic resources.

Therefore, we cannot see why this compromise amendment has met with so much
opposition. We hope that yesterday's authoritative explanations which were given
by Professor Bhabha, one of the authors of the amendment, and by other sponsors,
may still lead to the unanimous acceptance of it.

We have submitted an amendment to article XII which would require that in
the event of non-compliance by a member State, the decisions of the Board of
Governors, when deciding on the withdrawal of materials or the withdrawal of
rights, would be made by a two-thirds majority. It is a two-thirds majority
and not a three-fourths majority. I believe that the representative of Pakistan
misunderstood the amendment of Poland.
The representative of Denmark pointed out that this is not necessary in view of the already existing provision introduced by his delegation which clearly states the necessity of a two-thirds majority for financial problems, while on all others a previous vote has to be taken by an ordinary majority to determine whether a particular problem will require a two-thirds majority.

First of all, may I point out that we consider problems of sanctions, in cases of non-compliance, to be at least of equal importance as those of financial implications; and if financial implications do require a two-thirds majority, then by no means can it be said that a sanction should be decided upon by an ordinary majority. Some representatives, both today and previously, have expressed the fear that a two-thirds majority may create an embarrassing situation in the Board of Governors. I would say that a much greater danger of creating an embarrassing situation in the Board of Governors may be caused rather by a majority decision.

The alignment of a majority is not so difficult, and in the composition of the Board of Governors majorities could be formed with great ease. The representative of Denmark has expressed his fear that sometimes a one-third minority may frustrate a decision of the Board of Governors. If we speak of possibilities of frustration, one vote can equally frustrate the decision of a majority one way or another, and I do not see why a majority should be a more just body, a more reliable body and a more independent body than, let us say, one third of the same Board. The main difference between a two-thirds majority and an ordinary majority is not in the fact that it is easier or in the danger of frustration. The two-thirds majority is clearly connected with the necessity for negotiation. A majority, which may quite often be incidentally formed, means, in most cases, an imposition of a decision.

Of course, there may be cases of smaller or larger majorities, but in general when we have a qualified majority, a two-thirds majority, that provision imposes a necessity to seek an acceptable decision through negotiation and, therefore, from that point of view, it is much more in the spirit of precision and much more within the spirit of this Conference and all of the preparatory work which took place.
We believe that there is a clear connexion between the desires which have been expressed here to have the statute formulated in such a manner as to defend the interests of all nations, and the desires to defend the interests of those nations which are most in need of it, namely, the interests of the smaller countries. Therefore, we must create a situation in which no decision can be taken without the participation of those who come to the Agency because they want to make it into a working body, an organ of a technical and scientific character, whose main aim will be not discussion, not control, but aid and the expansion of atomic application all over the world.
We believe that our amendment is one which helps to create a proper balance and a greater democratization of the manner in which decisions will be taken. That is why we appeal once again to the Committee to support our amendment.

Mr. IALL (India): I have asked for your indulgence, Mr. Chairman, and the indulgence of the Committee, with reference to a point which was raised yesterday by the representative of the Philippines. He asked a question of the sponsors of the draft statute regarding the fourth sentence of article XII, paragraph C. He quite rightly drew attention to the fact that this sentence says that all violations must be reported to the Security Council and, in view of the contents of article XII, paragraph A 2, he asked whether this insistence on all violations being reported to the Security Council was necessary.

The point which he raised is a very valid one, if I might say so, but, if I may, I shall explain very briefly the basic thinking which went into the fourth sentence of article XII, paragraph C.

That thought was simply this: non-compliance with the provisions of this article and with the provisions of article XI, paragraph F 4, would normally create a situation which would be one relating to the security of the world. It was felt, therefore, that there should be an automatic provision in the statute which would result in violations being reported to the Security Council. However, I think that the representative of the Philippines is quite right in pointing out that violations of the matters referred to in article XII, paragraph A 2, need not go to the Security Council automatically. In the circumstances, I would suggest that this fourth sentence might read as follows:

"The Board shall report the non-compliance to all members and to the General Assembly and to the Security Council, except in regard to non-compliance with the measures referred to in paragraph A 2."

The sentence could end there. That would be the simplest amendment and would secure the purpose which the representative of the Philippines has in mind. It would then be for the General Assembly, if it thought fit, to pass on the report of non-compliance to any other United Nations organ. But it does not seem to us necessary to expand the sentence further than that, because the General Assembly does come into the picture in any event in terms of the draft as it stands and as I have now proposed that it should read.
Since this will really be a drafting change, I would suggest for the consideration of the Committee that a draft on the lines which I have just read out might be incorporated in the draft statute by the Co-ordinating Committee. It does not seem to me necessary that a vote should be taken on this matter. I hope that that view can be accepted by the representative of the Philippines, to whom we are certainly thankful for having raised this point and made it possible for us to clarify the intention of the statute.

The CHAIRMAN: I propose to deal with both the motion made by the representative of Greece, concerning the order of voting, and the proposal just made by the representative of India when the time comes to vote on article XII and the amendments thereto. I now call on the representative of the Philippines on a point of order.

Mr. CARPIO (Philippines): With reference to the second amendment contained in amendment 4 to article XII, presented by the delegation of the Philippines, there seems to be a rather unfortunate and unsavoury connotation ascribed to it by some representatives because of the fact that a particular member State has been mentioned therein. Naturally, we would be the first to avoid any such unsavoury connotation, and for that reason my delegation will not press for a vote on that particular amendment; in other words, that second part of our amendment 4 can be disregarded.

In connexion with the remarks just made by the representative of India, I am very grateful for the frank and honest manner in which he considered our request for clarification on the present wording of the fourth sentence of paragraph C of the article now under consideration. That is the kind of explanation which I hope every member of the Committee will welcome, an explanation containing the truth and nothing but the truth, instead of hiding it behind the theory or the statement that all of this had been the subject of negotiation and compromise among the negotiating Powers and that we should not disturb it. It is for that reason that I am grateful to the representative of India for his clarification. I note, however, that according to article III, paragraph B 4, in connexion with the activities of the Agency, reports shall be made to the General Assembly of the United Nations "and when appropriate, to the Security Council". Why did the
negotiating Powers adopt that formulation? It is an admission, in my view, that there are certain activities on which it may not be appropriate to report to the Security Council as, for example, in the case of violation of agreement between a recipient State and the Agency, as envisaged in the fourth sentence of article XII, paragraph C. If, according to article III, paragraph B 4, reports are to be made to the Security Council only when appropriate, there seems to be a distinction in cases of violation of the terms of agreement between the Agency and member States which, as I explained yesterday, may not always fall within the competence of the Security Council. Why, in such cases, must a report be made to the Security Council.
So for that reason, in order to synchronize the wording of the various provisions of the draft statute, in particular article III, paragraph B 4, and article XII, paragraph C, fourth sentence, it is the considered view of my delegation that the formulation as now offered in the Philippine amendment is perhaps the most ideal formulation. This reads as follows:

"The Board shall report the non-compliance to all members and to the General Assembly and, when appropriate, to any other organs of the United Nations."

As the representative of India has just frankly acknowledged, there seems to be merit in that formulation, although it is now offered in a different form altogether. I submit to the representatives here assembled that we see clearly the wisdom in any formulation of putting things in their proper place, and we are here given a distinct and excellent opportunity to assert our independence of action irrespective of who might introduce these suggestions. Here I must repeat that in the Philippine formulation we have an opportunity once and for all to assert our independence of action in regard to the true and correct interpretation of the situation. I am confident, therefore, that this formulation in the first portion of the Philippine amendment, as set forth in document IAEA/CS/Art.XII/Amend.4, will commend itself to the unanimous acceptance of members of this Committee.

The CHAIRMAN: I wish to remark that I do not see any point of order in the statement made by the representative of the Philippines. The statement could have been made in the ordinary order of the list of speakers. Naturally, the statement will be recorded in the minutes.

Mr. EL-KHARADLI (Egypt): I ask for the floor merely in order to thank the representative of Australia for his clarification, for which I am deeply appreciative and very grateful.

Mr. ESKELUND (Denmark): I wish to make only a brief statement in reply to the representative of Poland. It is true that in my intervention yesterday I questioned the wisdom of requiring a two-thirds majority in the Board of
Governors when that Board is considering violations, because I would fear that such a stipulation might lead to the frustration by a minority of action which really should be taken; but certainly that was not my main point.

When I spoke yesterday I mentioned another point as the important reason why I would oppose the Polish amendment. The representative of Poland evidently overlooked this point which I mentioned. This was that we have already decided here to accept an amendment submitted by the delegations of Norway, Sweden and Denmark to the effect that the Board of Governors can by a simple majority decide that any question with which it deals should be decided by a two-thirds majority. We have already given the Board of Governors authority to make such a decision. Accordingly I do not think it is proper and right for us to decide here and now to impose on the Board of Governors the necessity for having a two-thirds majority in such cases as this. I think we could properly and reasonably leave that to the discretion of the Board of Governors.

*Mr. LALL* (India): Mr. Chairman, I was going to ask you to let me make a brief statement, mainly in reply to the representative of the Philippines, but I find that he is not here, and so I cannot really make it to him, but I will put this on the record. What I wish to say is simply this. I quite see the point that the representative of the Philippines has in mind, but I think he has slightly misread article III, paragraph B 4. The words "when appropriate" there do not in any way, in my opinion, conflict with the more definite obligation in article XII, paragraph C, and I think that that matter can be clarified by explanation. What I propose to do is to try to clarify this matter to the representative of the Philippines outside the regular meetings of the Conference, and I hope that we shall reach an agreed position before we come to the vote.

*Mr. AHMAD* (Pakistan): May I first thank the representative of Poland for drawing my attention to a small numerical mistake that had occurred in my remarks at a previous meeting. In that connexion I should like to point out that my criticism of his amendment was not based merely on the question of a three-quarters or a two-thirds majority; it was also based on the point, which I would submit to the attention of this Committee, that according to the provisions of
the draft statute the granting of assistance by the Agency to members applying for such assistance is not conditional upon a two-thirds majority. According to the provisions as I understand them, any project which receives the attention of the Agency will be approved by a simple majority. Therefore it seems to me not to be consistent, when the question of non-compliance or evasion of any of the provisions of the Agency's statute is concerned, that we should lay down a hard-and-fast rule.
I should also like to point out that I am not against the application of a two-thirds majority if that were considered necessary in any particular case. I am against laying down a hard and fast rule and binding the hands of the Board in advance. I can imagine that cases of different characters and types will arise, which will have to be considered on their own merits, and there may be cases in which it will be necessary to have a two-thirds majority of the Board before any action is decided upon. But, since the power has been given to the Board to decide issues either by a simple majority or by a two-thirds majority, I think the best course would be to leave that to the discretion of the Board, to decide according to the nature and type of case, rather than to bind the Board's hands once and for all by taking a decision which may not leave room for any discretion in the matter.

Mr. MATES (Yugoslavia): I do not intend to address myself to the Committee now on the amendments to article XII. When I had occasion to speak in this debate, I pointed out that I wanted to hear all the amendments fully introduced. After the amendments had been introduced, there was sufficient indication to make me believe that it is quite within the range of possibility that changes in the texts of some of the amendments may subsequently be submitted. Since I gather that the Chairman is on the point of closing the debate on article XII and its amendments, may I respectfully submit a question: Is it understood that, if any changes are introduced in the existing amendments, representatives who so desire will have an opportunity to express themselves on these new drafts?

The CHAIRMAN: In reply to the question raised by the representative of Yugoslavia, I should like to point to the procedure we have followed until now. I take it that it would be only natural for a representative to speak on any new document or revised document submitted to this Committee.
Mr. MATES (Yugoslavia): I thank the Chairman for his explanation. My question does not necessarily imply that I shall speak, but it may be necessary for me to make a few remarks.

Mr. EL ANNABI (Tunisia) (interpretation from French): I should like to make a brief statement on article XII but, since the hour is already quite late, I would prefer to speak at the beginning of the afternoon meeting.

The CHAIRMAN: As I understand it, no formal motion for the adjournment of the meeting has been made. If there is no objection, I should like to suggest that the representative of Tunisia speak on article XII this afternoon and that, in the few minutes left until our usual closing time, we take up article XIII, to which there are no amendments and which we can probably dispose of in a short time. Is that agreeable to the Committee?

It was so decided.
Article XIII (continued)

Mr. LIVERAN (Israel): With regard to article XIII, my delegation merely would like to suggest for the sake of greater clarification that the Committee on Co-ordination might consider a somewhat different text in order to achieve what my delegation believes is the purpose that has to be served by the present article.

As it now stands, because of the reference to agreements twice, both in cases where services, equipment and facilities are to be given free of charge and also where they are to be given only as against reimbursement, some ambiguity might exist as to what kind of agreement is necessary in the first case, and what kind of agreement is necessary in the second case.

My delegation assumes that what is intended -- in view of the heading of this article, which refers only to "Reimbursement of Members" -- is that in cases where materials, services, equipment or facilities are given free of charge as donations or as gifts no agreement regarding the non-reimbursement is necessary. The very fact that they are being given as gifts makes any further agreement on this point unnecessary. The only time when there is need for an agreement is when these materials, services, equipment or facilities are contributed other than as gifts, but in such cases it would seem to my delegation that it is not sufficient merely to state that there must be a provision for reimbursement. What is necessary then, it seems to my delegation, is that in the agreement which provides for reimbursement the conditions for such reimbursement should be stated.

If this reading of the purpose of article XIII is correct, my delegation would like to suggest to the Committee on Co-ordination a text which would make it clear, first of all, that when these materials, services, equipment or facilities are given free of charge no other obligation devolves on the member in regard to an agreement on this matter, except those which are provided for in other articles, and then make it clear that this might, perhaps, be the normal or at any rate not the exceptional case.
My delegation would therefore suggest that it might be possible to achieve this purpose by starting off by saying that whenever the materials, services, equipment or facilities furnished to the Agency by a member are not contributed free of charge the Board of Governors shall enter into an agreement with such member setting out the terms of reimbursement.

The CHAIRMAN: The question raised by the representative of Israel will be submitted to the Co-ordination Committee.

If no other representative wishes to speak on article XIII, I shall take it that the article is approved by the Committee in its present form.

Article XIII was adopted.

Article VIII (continued)

The CHAIRMAN: I have just been reminded that the position is quite similar with regard to article VIII. If there is no objection I should, therefore, just like to place on record the fact that article VIII is also approved since no amendments thereto have been submitted.

Article VIII was adopted.

The meeting rose at 12.50 p.m.