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THE FINANCING OF SAFEGUARDS

Note by the Director General

- 1. At its meetings in June 1980 the Board of Governors reviewed the arrangements for the financing of safeguards as provided for in a resolution adopted by the General Conference in 1976 [1] and requested the Director General to transmit to the General Conference the text of a draft resolution on revised arrangements for the assessment of Members' contributions towards the Agency's Regular Budget.
- 2. The draft resolution transmitted by the Board for the Conference's consideration is accordingly presented below.

REVISED ARRANGEMENTS FOR THE ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE AGENCY'S REGULAR BUDGET

The General Conference,

- (a) <u>Recalling</u> its resolutions embodying principles for the assessment of Members' contributions towards the Agency's Regular Budget [1],
- (b) Being informed of a revised set of arrangements providing for the financing of safe-guards activities of the Agency which the Board of Governors has endorsed, and
- (c) Considering it desirable to revise the arrangements for the financing of safeguards which it established by Resolution GC(XX)/RES/341,

<u>Establishes</u> the following revised arrangements for the assessment of Members' contributions towards the Agency's Regular Budget to supplement those it approved by Resolution GC(III)/RES/50, as amended by Resolution GC(XXI)/RES/351, and to replace those it approved by Resolution GC(XX)/RES/341.

^[1] See para. 4 of Resolution GC(XX)/RES/341.

- 1. Each Member's contribution towards the Agency's Regular Budget shall comprise a non-safeguards component and a safeguards component, corresponding respectively to that Member's assessment in respect of:
 - (a) Non-safeguards expenses, which shall include all expenses required to be apportioned among Members in accordance with Article XIV. D of the Statute except safeguards expenses; and
 - (b) Safeguards expenses, which shall include all expenses relating to the Agency's safeguards activities.
- 2. Non-safeguards expenses shall be borne by Members in proportion to their respective base rates of assessment calculated by application of the principles set forth in Resolution GC(III)/RES/50, as amended by GC(XXI)/RES/351.
- 3. Safeguards expenses, after deduction of such amounts as are recoverable under agreements relating to safeguards between the Agency and parties to such agreements that are not Members of the Agency, shall be borne by Members as follows:
 - (a) Each Member included in the list referred to in sub-paragraph (b) below shall contribute the amount for which that Member had been assessed for 1976 provided that any Member which is not currently included in the list but which may be included in a future year shall contribute in that year and in each of the succeeding years an amount equal to that for which that Member had been assessed for the year prior to the one in which it was included in the list;
 - (b) The list, which shall be drawn up by the Director General (and will be kept under review by the Board of Governors), shall comprise Members, except the ten Members with the highest base rates of assessment and those that have notified the Director General that they do not wish to be included, having per capita net national products of less then one third of the average per capita net national product of the fifteen Members having the highest per capita net national products, the per capita net national products being identified by examination of the documents used by the Committee on Contributions of the General Assembly of the United Nations;
 - (c) Any Member not included in the list during any given year shall contribute on a scale to be determined for that year by proportionately increasing its base rate of assessment in such a way that the total contributions of such Members make up the balance of the safeguards expenses; and
 - (d) In the case of the admission of a new Member which is to be included in the list, that Member shall contribute, in the year in which its membership becomes effective and in succeeding years, an amount equal to that which it would have to contribute if it had been a Member during 1976; the determination of that amount shall be made by the Director General in accordance with the Agency's established method of computation.
- 4. These arrangements shall be applicable for the period 1981 through 1983 and shall be reviewed by the Board in 1983.

^[1] GC(III)/RES/50, as amended by Resolution GC(XXI)/RES/351, GC(XV)/RES/283 and GC(XX)/RES/341.