

the proposal originally introduced by the distinguished representative of Thailand (as Amendment 12 to Article III) that Agency safeguards should be extended not only to such international transactions, but also, at the invitation of the country concerned, to individual national projects within member countries.

It has been said by some that a system of safeguards applied to all peaceful international atomic transactions is in effect discriminatory, on the ground that the safeguards will have practical effect on the programmes only of those countries requiring outside assistance. It is true that the system will not affect in any way the activities of countries not requiring any assistance and that it will not have any practical effect upon the activities of countries declaring a military atomic programme and able to provide for themselves or obtain elsewhere the resources required for that purpose. That degree of difference is inevitable since we can hope in establishing this Agency to exercise control only through international transactions directed to peaceful ends. But partial effectiveness and some toleration of differences is well worth achieving and accepting in this field where the dangers resulting from the clandestine diversion of resources into weapons could be very great indeed. To the extent that discrimination remains, it will not be due either to the principle of safeguards or to their form, but due rather to the fact, which must be faced, that there is no general agreement on disarmament which would impose safeguards on the atomic programmes of all countries. Continued inequalities of access to the assistance for peaceful programmes which it is the main purpose of the Agency to provide would clearly represent a failure of this conference in its assigned task, while inequalities of access to atomic weapons already exist and do not constitute a question with which we can or should deal in this Conference. We should not delay the valuable work that can be done by an agency of this kind, particularly for under-developed countries, until the Great Powers had achieved a solution to the difficult question of disarmament.

Moreover, it should be noted that the system contemplated by Article XII will impose obligations and burdens not only upon the countries requiring outside assistance in their peaceful programmes but also, indirectly, upon those countries seeking export markets for their resources. The application of such safeguards will necessarily affect the terms and dates upon which they are able to offer the materials in question, hence putting them at a disadvantage in competition with other suppliers who might not accept the obligations involved. It is apparent, therefore, that the system can be effective only if it is broadly accepted by the recipient and supplying countries alike. I submit, however, that it is in the interest of all, whether they be recipients or suppliers or both, to accept these obligations.

I should like now to turn to the actual provisions of Article XII of the draft statute. It is important to recognize first that the rights and responsibilities assigned to the Agency in the individual provisions relating to safeguards are to be exercised in connection with any individual project, in the words of the statute, "to the extent relevant to the project or arrangement". By virtue of Article VI.F specifying that the Board of Governors shall carry out the functions of the Agency, it will in fact be the Board which will act for the Agency in connection with the application of safeguards. It is therefore clear that in any individual case, whether it applies to a project in which the Agency participates directly or to some transaction or arrangement outside the Agency for which the Agency is requested to apply safeguards, the Board of Governors will have to determine,