by several member countries, including Canada.

## Limitations Under Which the IAEA Must Operate

There are limitations and practical constraints in the application of NPT safeguards under which the IAEA must operate:

- The IAEA has no power to compel any country to sign any treaty or agreement.
  All safeguards agreements are entered into at the request of the country concerned.
- All NPT safeguards agreements are essentially identical and are based upon the model drawn up in 1970. Earlier bilateral agreements, however, permit greater flexibility. Extensive negotiations have taken place to standardize, as much as possible, these two systems.
- The IAEA's authority is limited to verifying "that the state is carrying out its safeguards obligations." If the IAEA finds that a country is not complying with a safeguards agreement, the Board of Governors must report the non-compliance to all members of the IAEA and to the Security Council and the General Assembly of the UN.
- A country's failure to report all nuclear material in all its peaceful nuclear activities would be a breach of its

safeguards agreement. The IAEA inspectors do not have the right, however, to search a country for unreported material or facilities.

Within these constraints and the financial limitations set by the member countries who decide the IAEA budget, the IAEA has maintained a very credible and effective safeguards system.

Safeguards are still evolving and incorporating advances in technology to improve containment, surveillance and other techniques. The system is not perfect and there remain many political, legal and technical difficulties to surmount. While the cost of safeguards is appreciable — the IAEA's annual safeguards budget for 1988 was US\$47.5 million, out of a total budget of US\$147 million it is a very small burden to be borne compared to the considerable contributions to international security that IAEA safeguards provide.