

"the only criterion for specifying disposition and authorizing retention of such material being to ensure that such material is not used in such a way as to further any military purpose or to endanger health and safety."

There have been a number of amendments proposed to Article XII. I should like in particular to comment on those set out in Amendment 5 submitted by Ceylon, Egypt, India and Indonesia. That amendment first provides for the deletion from line 2 of sub-paragraph A.3 of the words "source and". We do not believe that this deletion would be acceptable since, without those words, the Agency would not have any direct means of ascertaining the nature, quantities or disposition of special fissionable materials which might be produced from source materials supplied. It has been suggested that the control problem is entirely different in the case of source materials from that applying to special fissionable materials. We recognize that there are considerable differences, differences which may perhaps have significant consequences in terms of the form or extent of the controls which the Board of Governors will consider it relevant to apply in the case of arrangements relating to source materials, but the fact remains that source materials are the parents of special fissionable materials and arrangements designed to ensure effective control of special fissionable materials cannot completely ignore source materials. Hence we consider it essential that the authority granted to the Board should extend to source materials, this authority to be exercised in accordance with the Board's decision as to what is relevant. We envisage that the control arrangements which would in fact apply to source material prior to its irradiation would be less extensive than those which must be applied at the later stages to ensure control of fissionable products. Nevertheless the source material supplied must be subject to accountability if the fissionable products are to be controlled, as in our view they must be.

The next of the amendments in Amendment 5 proposes the addition of the word "supplied" after the word "materials" at the end of paragraph A.3. This addition would exempt from controls the fissionable materials obtained in Agency-assisted projects from fuels or raw materials not provided through the Agency. This alteration also we would consider unacceptable, although I recognize that it is related to a subsequent proposal in the same series of amendments and should be considered in relation to that.

Continuing, Amendment 5 proposes to replace the existing paragraph A.5 with a new paragraph in two parts. These relate to the control provisions applicable to special fissionable materials and source materials supplied through the Agency, and to special fissionable materials recovered from source materials supplied by the Agency. As I indicated earlier, we agree that controls upon all of these materials are required, but we do not believe that the proposed amendment is adequate to ensure effective control in that it does not provide for the inspection which would be necessary to verify the accounting for those materials. The amendment also fails to embody the provision for deposit with the Agency of special fissionable materials recovered, a provision which, as I indicated earlier, we consider necessary. The changes proposed for sub-paragraph A.6 are similar to the first two I mentioned and subject in our view to the same objections.