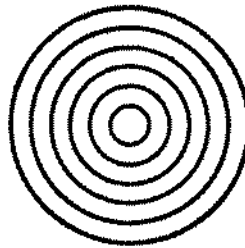


AGENCY FOR THE
PROHIBITION OF NUCLEAR WEAPONS
IN LATIN AMERICA



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GENERAL CONFERENCE
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Montevideo, Uruguay, April 27-30, 1987

RESOLUTION 231 (X)

FUND FOR THE PEACEFUL USES OF NUCLEAR ENERGY AND
STAFF PENSION AND RETIREMENT FUND
REPORT OF THE COMMITTEE ON CONTRIBUTIONS
AND BUDGETARY MATTERS

The General Conference,

Recalling its Resolutions 180 (VIII) and 201 (IX) concerning the situation of the Fund for the Peaceful Uses of Nuclear Energy and the Staff Pension and Retirement Fund;

Taking note of the Report submitted by the Secretary General (Doc. CG/296), regarding these Funds, and of the Report of the Committee on Contributions and Budgetary Matters (Doc. CG/300);

Considering that the problem of the effective constitution of these Funds in Special Banking Accounts is inserted in the problem of the financial crisis undergone by the Agency due to the lack of opportune payment of contributions by some Member States;

Taking into account that on December 31, 1986, the Staff Pension and Retirement Fund should be constituted by an amount of US\$330,973.00;

Taking also into account that the Fund for Peaceful Uses of Nuclear Energy should be constituted by an amount of US\$179,532.00 on December 31, 1986;

Considering that the outstanding contributions of debtor States up to December 31, 1986, amounts to US\$302,856.50;

Considering also that the Staff Pension and Retirement Fund is one of the universally recognized Human Rights;

Taking notice that due to the lack of financial resources, and in the face of the exhaustion of the General Fund and the Working Capital Fund, the Secretary General has had to use in its totality the Fund for Peaceful Uses of Nuclear Energy and is now using what should be the Staff Pension and Retirement Fund;

Taking notice also that in spite of the insecure financial situation through which the Agency is undergoing and in compliance with Resolution 201 (IX), on March 9, 1987, the Secretary General opened a Special Banking Account with the contributions of the personnel up to 1986; the contributions of the Agency up to that same date, the non-exercised and paid items of the budget and other assets of 1986, all these amounting to US\$52,235.85;

Keeping in mind that the Secretary General has submitted a thirteen-year plan to fully integrate the Staff Pension and Retirement Fund, the success of which depends on the payment of contributions in arrears from Member States;

Taking into account the recommendation of the External Auditor of the Agency, Dr. Gustavo Mirón Porras, in his Auditing Report for the financial exercise for 1984 and

restated in the 1986 Auditing Report, which states that:
"Keeping in mind the time that has lapsed up to December 31, 1984, date in which there are still pending contributions from eight Member States, for a total amount of \$3,096,977.71 Mexican pesos, we respectfully recommend that in order to adjust the financial statements to the new circumstances originated by the passing of time, that it be agreed that those contributions in arrears up to December 31, 1984, be converted into their equivalent in U.S. dollars at the rate of exchange of the date of the previous Resolution, December 31, 1981. By so doing, all pending contributions will be expressed in the same currency and shall be calculated at a fixed rate", and the pertaining paragraph of the 1986 Auditing Report, which states: "The General Conference resolved to withdraw this item from the Agenda and decided to study it at its Tenth Regular Session, a circumstance that is respectfully recommended to be kept in mind";

Taking notice that the Secretary General in order to perform a better administrative function, considers necessary that the remainder of the non-exercised items of the budget be distributed in three equal amounts among the Staff Pension and Retirement Fund, the Fund for Peaceful Uses of Nuclear Energy and the Working Capital Fund;

Taking into consideration that since the General Conference meets every two years to approve the budget, it is difficult to foresee the budgetary changes that may arise, the Secretary General recommends that the budget of the corresponding expenses be calculated biennially, with the purpose of reducing to the minimum the non-exercised items of the budget;

Keeping in mind that the payment of contributions in a different currency from U.S. dollars causes the Agency a

loss due to the difference of exchange rates,

Resolves:

1. To take note that a Special Banking Account has been established to begin the constitution of the Staff Pension and Retirement Fund in the amount of US\$52,235.85 and that the establishment of the Fund for Peaceful Uses of Nuclear Energy has been postponed, subject to the payment of contributions in arrears of Member States.
2. To take note also that a thirteen-year plan has been established, beginning in 1987, for the Agency to complete its Staff Pension and Retirement Fund, whose success will depend on the payment by Member States of their contributions in arrears.
3. To instruct the Secretary General that this Fund be used for the specific purpose for which it was established, unless it is strictly necessary to use it for the adequate functions of the Agency, due to the lack of available resources.
4. To instruct also the Secretary General that, as the contributions in arrears are paid and specific contributions are received for the Staff Pension and Retirement Fund, the corresponding amount be deposited in the Special Account belonging to the aforementioned Fund.
5. To recall that the lack of opportune payment of the contributions from Member States makes them to incur in non-compliance with paragraph 3 of Article 9 of the Treaty of Tlatelolco, as it is foreseen in paragraph 1 of Article 20 of said Treaty.

6. To authorize the Members of the Committee on Contributions and Budgetary Matters so that, in coordination with the Secretary General, address themselves to the debtor States with the aim to normalize, as soon as possible, the payment of their contributions in arrears and also to negotiate with them the procedure required for its amortizement.

7. To appeal to the Member State which pays its contributions in a different currency from the U.S. dollar, to do so during the first thirty days of January, so that the loss due to the difference in the rate of exchange may be the least possible and also to consider in the future the possibility that these contributions be paid in U.S. dollars, in order that the accounting registries and financial statements of the Agency can be stated in this currency as established by paragraph 2.01.1 of the Financial Rules of OPANAL adopted through Resolution 8 (III-E) of the General Conference.

8. To authorize the Secretary General that, following the recommendation of the External Auditor in paragraph 3 of his Auditing Report, in the accounting registries of the Agency, the contributions in arrears in Mexican currency up to April 30, 1987, be converted into their equivalent in U.S. dollars at the rate of exchange of 26.18 Mexican pesos per dollar, which was current in June 1982, when the General Conference agreed, through its Resolution 8 (III-E), that all accounting registries and financial statements of the Agency should be expressed in U.S. dollars.

9. To instruct the Secretary General to amend the Financial Rules of the Agency as described in the enclosed Annex.

(Adopted on the 61rst. Session
held on April 29, 1987)

AMMENDMENTS TO THE FINANCIAL RULES

1. Numeral 1.02

It should say: "The period between January 1 of one year and December 31, of the following year, shall constitute the biennial financial exercise."

2. Numeral 2.02

It should say: "The Secretary General shall submit to the Committee on Contributions and Budgetary Matters and afterwards to the General Conference, the draft budget for the biennial financial exercise with those informative annexes and explanatory statements which he may consider useful or necessities."

3. Paragraph 2.02.1

It should say: "The draft budget shall include the calculation of the expenses corresponding to the biennial financial exercise and shall be divided into: Titles, Sections, Chapters, Allocations and Fractions, as well as all incomes pertaining to the same biennial financial exercise."

4. Paragraph 2.02.2

It should say: "The Secretary General shall forward to Member States the budget pertaining to the corresponding biennial financial exercise at least one month in advance to the opening of the Regular Session of the General Conference."

5. Numeral 6.01

It should say: "The amount of contributions can be paid in two obligatory installments, within the first thirty days of January of each year, so that the activities of the Agency are not impaired by lack of resources; however, if the Member State so wishes, it can make the full payment of its biennial contribution at the beginning of the corresponding biennial financial exercise."

6. Numeral 6.02

It should say: "When new States become Members of the Agency, they will have to pay their proportional part of their biennial contribution within the first months after the date of their admission, considering only full months from that date until the end of the biennial financial exercise, that is, December 31."

7. Numeral 6.04

It should say: "The Member State which has not paid its contributions to the Agency by April 30 of each year of the respective financial exercise, shall be considered in arrears."

8. Numeral 7.02

It should say: "Any amount non-exercised due to the lack of opportune payment of the contributions of Member States in a particular biennial financial exercise, shall be equally distributed amongst: the Staff Pension and Retirement Fund, the Working Capital Fund, and the Fund for Peaceful Uses of Nuclear Energy, whenever such payments are made."

9. Numeral 8.01

It should say: "Credits allotted to pay obligations contracted to supply goods and services to the Agency, shall be available during the biennium financial exercise for which they were approved and for an additional twelve-month term after the closing of that financial exercise."

10. Numeral 8.03

It should say: "All indebtedness of the previous biennial financial exercise shall be cancelled on expiration of the twelve-month term foreseen in Numeral 8.02 and the outstanding shall be applied in accordance with Numeral 7.02."

11. Numeral 10.02

It should say: "The Secretary General shall submit to the External Auditor the statement of accounts at the latest 60 days after the closing of each biennial financial exercise, who shall certify them according to the principles stated in the Appendix of these Financial Rules."

12. Numeral 10.04

It should say: "The General Conference shall examine, during each Regular Session, the statement of accounts of each biennial financial exercise."

13. Article 12, "Transitory Dispositions"

It shall be revoked.