

Major Programme 4 – NUCLEAR VERIFICATION

Introduction

Within the framework of this major programme the Agency's statutory mandate is being implemented to establish and administer safeguards designed to provide credible assurance: (a) for States with comprehensive safeguards agreements in force, of the non-diversion of nuclear material placed under safeguards, and that there are no undeclared nuclear material and activities in the State as a whole; the Agency's ability to detect undeclared nuclear material and activities is significantly enhanced in States that have additional protocols in force; (b) that nuclear and other materials, services, equipment and facilities subject to safeguards under INFCIRC/66-type agreements are not diverted or misused; and (c) that nuclear material placed under safeguards in nuclear weapon States is not diverted.

Overall planning, direction, co-ordination and control are applied at the major programme level to ensure the efficient and effective, as well as transparent, management of the safeguards programme and appropriate co-ordination within the Agency.

Verification and monitoring activities in Iraq under United Nations Security Council resolutions are included in this major programme but are managed by the Iraq Nuclear Verification Office (INVO), which reports directly to the Director General.

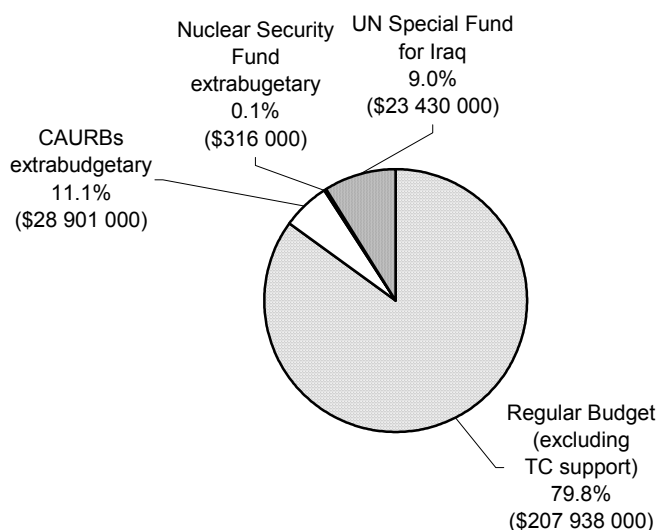
Objective

- To provide credible assurance to the international community that nuclear materials and other items placed under safeguards are not diverted or misused, and, for States with comprehensive safeguards agreements in force, to provide credible assurance as to the absence of undeclared nuclear material and activities for States as a whole; and
- To support the efforts of the international community in connection with nuclear disarmament as requested.

| Outcomes |
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| <ul style="list-style-type: none"> — Ability to detect the diversion or misuse of nuclear material and other items placed under safeguards and, where appropriate, any undeclared nuclear material and activities. — Conclusion and subsequent implementation of comprehensive safeguards agreements and additional protocols in an increasing number of States. |
| Performance Indicators |
| <ul style="list-style-type: none"> — Rate of attainment of safeguards inspection goals. — Number of States for which conclusions regarding the non-diversion of nuclear material placed under safeguards and, where applicable, regarding the absence of undeclared nuclear material and activities, are drawn for States as a whole. |

N.B. It should be noted that most performance indicators considered under this major programme depend to a large extent on factors beyond the control of the Secretariat.

Total Resources for Nuclear Verification in 2004–2005



| | 2004 | 2005 | Total for biennium |
|---------------------------------------|--------------------|--------------------|--------------------|
| Regular budget (excluding TC support) | 102 278 000 | 105 660 000 | 207 938 000 |
| Regular budget TC support | - | - | - |
| Subtotal regular budget: | 102 278 000 | 105 660 000 | 207 938 000 |
| CAURBs extrabudgetary | 14 914 000 | 13 987 000 | 28 901 000 |
| Nuclear Security Fund extrabudgetary | 158 000 | 158 000 | 316 000 |
| TC programme | - | - | - |
| Total: | 117 350 000 | 119 805 000 | 237 155 000 |
| UN Special Fund for Iraq | 11 715 000 | 11 715 000 | 23 430 000 |
| OVERALL TOTAL | 129 065 000 | 131 520 000 | 260 585 000 |

The total resources for implementing Major Programme 4, which are illustrated in the table and chart above, amount to \$237 155 000 for the biennium. In addition, a sum of \$23 430 000 is expected to be received from the UN Special Fund for Iraq. The regular budget constitutes 79.8% (\$207 938 000) of the overall resources (at 2004 prices). The regular budget includes increases of \$11 067 000 for 2004 and \$14 413 000 for 2005 compared with 2003 (at 2003 prices). The increase for this major programme stems partly from the growing demands on safeguards activities and partly from the inclusion in the regular budget of some funding provisions for requirements which, in programmes of previous biennia, have been covered by extrabudgetary funds. A portion of the increase is also related to staff costs and includes provision for the following:

- 27 proposed new Professional posts;
- 13 posts provided, without funding, from within the approved staffing table in the course of 2002 to meet immediate programme needs;
- Funding for short/medium term contract staff who will provide back up support in areas affected by the implementation of ISIS.

Equipment costs have been increased by \$0.9 million in 2004 and \$2.7 million in 2005 over the 2003 level (at 2003 prices). Even with these increases, the revised funding for equipment is still below the level of average annual equipment purchases since 1997. As a result, the Secretariat will still need to rely on extrabudgetary contributions from Member States for the purchase of safeguards equipment.

The budget also includes a funding increase of \$4.6 million over 2003 for contracts (at 2003 prices). This increase covers important new requirements such as the purchase of satellite images, operating costs of an on-site laboratory at the Japan Nuclear Fuel Limited (JNFL) reprocessing plant under construction at Rokkasho Mura, and additional IT systems and technical support contracts. It also includes \$2 million to cover the cost of the re-engineering of the IAEA Safeguards Information System (ISIS).

Extrabudgetary funding expected for Programme N, Safeguards, amounts to \$28 901 000 (excluding the Nuclear Security Fund) for the biennium. Over 40%

of this extrabudgetary funding is for the implementation of the ISIS project. There is a further \$6 410 000 for CAURBs for which no funding has been identified as of yet.

Summary data on the regular budget proposals, extrabudgetary resources expected to be available and CAURBs for which no funding is available are set out — by project, subprogramme and programme — in the table following this text. The table at the end of this major programme text shows the comparison of regular budget estimates with the 2003 adjusted budget at the subprogramme level. Details of unfunded activities/means of implementation are set out in the project descriptions.