

49th General Conference of the International Atomic Energy Agency (IAEA)**Canadian Statement****1. Introduction:**

Mr. President, I am presenting this in my capacity as Head of the Canadian Delegation. I would like to congratulate you on your election as President of the 49th General Conference and assure you and the Secretariat of the full support of my delegation in making this conference a success. I would also like to take this occasion to congratulate Dr. Mohammed ElBaradei on his reappointment to another four year term as Director General. Canada looks forward to continued close collaboration with Dr. ElBaradei during his third term on the important questions before the Agency. I would further like to welcome Belize as the newest member of the Agency.

This year marks the 60th anniversary of the first and only use of nuclear weapons. It provides an opportune moment for us to remind ourselves of the dual nature of the atom - its terrible destructive power and its significant application for improving human life - and of the intertwined rights and obligations associated with its possession, as enshrined in the Treaty on the Non-Proliferation of Nuclear Weapons.

2. Safeguards and Verification:

Mr. President, this has been a particularly difficult and challenging year for the multilateral non-proliferation, arms control and disarmament (NACD) regime. Canada would like to reiterate its support for the NPT as the indispensable cornerstone of the global nuclear non-proliferation regime and the foundation for lasting nuclear disarmament. Canada laments the failure of the May 2005 Review Conference to reach consensus on a Final Document. We were disappointed as well by the lack of any reference to non-proliferation, arms control and disarmament objectives in the Final Document of the recent UN Summit. These unfortunate developments place even more importance on institutions like the IAEA performing their roles and responsibilities as effectively and as credibly as possible, especially when they address special challenges such as the one posed by Iran.

Canada calls on all states party to the NPT that have not done so to enter into a comprehensive safeguards agreement and Additional Protocol with the Agency. Canada also repeats its call on India, Israel and Pakistan to join the NPT as non-nuclear weapon states and to place the full scope of their nuclear activities under IAEA safeguards. Canada welcomes in this regard India's recent expression of support for international nuclear non-

proliferation goals. We look forward to learning more about how India intends to put in place national measures to advance those goals. Canada also looks forward to working with India on the development of the peaceful uses of nuclear energy both bilaterally and through the appropriate international fora, in a manner consistent with our international commitments.

Canada welcomes the adoption by last week's Board of Governors meeting of a resolution finding Iran in non-compliance with its safeguards obligations. Canada regards such a step as long overdue and indeed required by Article XII.C of the Agency's statute. Canada in no way disputes Iran's right to the peaceful use of nuclear power as enshrined in Article IV of the NPT. I need hardly remind this body of the range of Canada's peaceful activities in the nuclear sector. However, Canada regards the enjoyment of the benefits of nuclear energy as conditional on a country's full acceptance and fulfilment of its obligations under the NPT. This is particularly the case where the most proliferation sensitive activities - enrichment and reprocessing - are involved. Specifically, Canada notes that Article IV specifies that the inalienable right to the peaceful use of nuclear power exists in conformity with Articles I and II of the Treaty. **The Final Document of the 2000 NPT Review Conference broadened this understanding to require conformity with Article III of the Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices.**

Iran has signed and ratified the NPT, concluded a comprehensive safeguards agreement and signed an Additional Protocol with the Agency, but has not fully honoured its safeguards obligations. Canada considers that, given its clearly established history of non-compliance with its safeguards obligations and its continued lack of full cooperation and transparency with the Agency, Iran should resume its suspension of all uranium enrichment related activities in accordance with the requirements of successive Board resolutions. The resolution adopted September 24 commits the Board to bring this special verification case to the attention of the United Nations Security Council, but goes on to note that the timing and content of the report and notification will depend upon Iran's behaviour. With this in mind, we hope Iran will heed the call of the Board to reestablish a full suspension of all enrichment-related activities, including uranium conversion, and to grant the additional transparency and access sought by the Director General.

Canada applauds the Democratic People's Republic of Korea's September 19 announcement that it will abandon all its nuclear weapons and existing nuclear programmes and return at an early date to the NPT and accept IAEA safeguards. We consider this an important and positive step for regional and international security and for the reintegration of the DPRK into the international community. We call upon the DPRK to make good on these undertakings. The outcome of the most recent round of the Six Party talks demonstrates again that difficult and complex non-proliferation challenges can be

successfully addressed when there is the political will to do so.

The last year has seen several important initiatives aimed at strengthening the integrity of the Agency's safeguards regime. Canada welcomed the Board of Governors' decision in June on the creation of a committee of the Board to consider and recommend ways and means to strengthen the safeguards system. Canada also welcomes the decision by last week's Board to modify the Small Quantities Protocol to the comprehensive safeguards agreements the Agency concludes with Member States, thereby correcting a weakness in the safeguards system.

A strong, effective and adaptable safeguards regime should be viewed as but one element of a broader non-proliferation and international security agenda, which also includes an effective international export-control regime, as well as investigation and interdiction of clandestine nuclear supply networks. In this regard, the Director General's reflections about the desirability of multilateral control over the nuclear fuel cycle and the report of his Expert Group on this subject, are noteworthy, as are the practical proposals announced by the United States here on Monday. We also look forward to the Director General's report on the Agency's investigation of the clandestine nuclear supply network centred on Dr. AQ Khan.

Finally, Canada welcomes the Director General's announcement in his remarks to the September 19 Board meeting that the Agency has been able to reach the broader safeguards conclusion with respect to the non-diversion of declared material and the absence of undeclared nuclear material and activities in Canada. This conclusion is the result of significant efforts amongst the Agency, Canada and our nuclear industry which must be sustained through ongoing openness and transparency. As the next step, we look forward to working with the Agency on the development and implementation of a state-level integrated safeguards approach which seeks to maximize the efficiency of Agency resources while maintaining the confidence of Canadians and the international community in the effectiveness of safeguards in Canada. The announcement of this conclusion for Canada underscores the seriousness with which Canada takes its obligations under its comprehensive safeguards agreement and the Additional Protocol and more broadly under the Nuclear Non-Proliferation Treaty. Canada expects nothing less from other states that have accepted these same commitments.

3. Nuclear Safety and Security:

I turn now to nuclear safety and security. Canada is pleased to be the second largest donor state to the Nuclear Security Fund, as part of its contribution to the "Global Partnership against the Spread of Weapons and Materials of Mass Destruction". The Agency's nuclear security activities are an integral part of efforts to strengthen nuclear security worldwide. The Agency's role and Canada's progress in this area was highlighted

at the March 2005 International Conference on Nuclear Security, held in London and by the Agency's Nuclear Security Plan of Activities 2006-2009 approved last week by the Board of Governors.

Mr. President, Canada was pleased to work with the Agency over the past two years to implement projects under the initial Nuclear Security Plan. Canada welcomes the simplified structure of the Nuclear Security Plan for 2006-2009 and the establishment of clear objectives for each of the three activity areas and looks forward to continued cooperation with the Agency. Canada welcomes the Agency's efforts to achieve synergies between its dedicated nuclear security activities and other related activities in the fields of verification and nuclear safety that also have nuclear security dimensions. As indicated in other fora and on other occasions, Canada would like to see more nuclear security activities funded out of the regular budget. We strongly believe that the Agency's nuclear security activities should benefit from predictable and regular funding through the core budget.

Canada welcomes the amendment to the Convention on the Physical Protection of Nuclear Material agreed to at the July 2005 diplomatic conference and the adoption by the UN General Assembly in April 2005 of the International Convention for the Suppression of Acts of Nuclear Terrorism. We urge all states to sign on to and ratify both of these important nuclear security instruments.

Canada chaired the third Review Meeting of States party to the Convention on Nuclear Safety held in April of this year. The Review meetings offer an important opportunity for peer review of countries' nuclear power reactor safety performance. We welcome India's ratification of the Convention and their participation at the meeting. For our part, Canada has made progress in all areas covered by the Convention and believes that the Convention is a cornerstone of the global nuclear safety regime.

Of note, Canada welcomes the acceptance by Contracting Parties at the Review Meeting of the voluntary use of IAEA safety standards. The Canadian Nuclear Safety Commission (CNSC), our national nuclear regulator, has already committed to use international safety standards in the effective regulation of nuclear activities in Canada. I am also pleased to note that the CNSC has recently made a formal commitment to the establishment of a corporate-wide Quality Management Programme in accordance with IAEA safety standards. This will provide a means to compare and benchmark practices internationally and to enable measured improvements through international peer review processes. To this end, Canada will undertake an IAEA International Regulatory Review Team (IRRT) in the future.

Canada also affirms the importance of safe and secure management of radioactive waste and we look forward to participating in the peer review process of the Second Review meeting of the Joint Convention on the Safety of Spent Fuel Management and Radioactive Waste

Management scheduled for May 2006. Of note, the Nuclear Waste Management Organization, a not-for-profit organization established by the nuclear industry under the *Nuclear Fuel Waste Act*, will submit to the Minister of Natural Resources by November 15 of this year its study of general approaches for the long-term management of nuclear fuel waste. The Government of Canada is committed to making good progress on this issue and its milestone decision is expected in 2006.

Canada welcomes the successful outcome of the IAEA Conference on a Global System for the Continuous Control of Radioactive Sources throughout their Life Cycle held June 27 to July 1 2005 in Bordeaux, France, and we will continue to work towards the implementation of the Code of Conduct and meeting the provisions of the import/export guidance. We call on all member states that have not yet done so to commit to implement the Code of Conduct and the import/export guidance as soon as possible. It will also be essential to implement these important commitments in a transparent and well-harmonized manner. We also appreciate the efforts of the Agency to address the problem of denial of shipment of medical isotopes and look forward to continued efforts in this regard.

4. Peaceful Uses of Nuclear Power:

I turn now to the peaceful uses of nuclear power, the promotion of which is one of the three pillars of the Agency's mandate.

Mr. President, there has been much talk of late of a nuclear renaissance, a notion that was given prominence by the IAEA-NEA co-sponsored "International Conference on Nuclear Power for the 21st Century" held in Paris on March 21-22, 2005. It is indeed hard to envisage any viable, environmentally sound strategy to meet the burgeoning energy demands of the 21st century that does not include a role for nuclear power in the mix. Nuclear power must also make a key contribution to address growing concerns about the security of supply of energy. We note, however, recent changes in the uranium market. We therefore encourage the Agency to continue its leadership in the uranium resources field, in particular its collaboration with the OECD-NEA in the publication of the "Red Book" on uranium resources, production and demand.

Canada, building on its more than 50-year tradition of innovation in the sector of nuclear technology, intends to remain a global leader in promoting nuclear power as a low emissions solution and adapting it to the energy needs of the coming decades. The Government of Canada, in association with Atomic Energy of Canada Limited, is developing the Advanced CANDU Reactor. The Advanced CANDU Reactor's safety enhancements and evolutionary design are expected to make significant improvements in safety, economics, and non-proliferation. The past year has seen considerable progress in the Canadian nuclear industry. Two laid-up reactors have been returned to service and a decision has also been made to refurbish the CANDU reactor in New Brunswick. Nuclear power now supplies more than 15% of our national electricity

requirements.

Canada was pleased to sign the Generation IV International Forum (GIF) Framework R&D Agreement earlier this year. We maintain our involvement in the Agency's International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO). We are one of the countries that is a member of both GIF and INPRO. Canada welcomes the ongoing collaboration between GIF and INPRO, as well as the announcement by the United States to join INPRO.

Mr. President, Canada remains a strong supporter of the Agency's Technical Cooperation activities, ranging from insect sterilization to cancer diagnosis and therapy, and a major contributor to the TC Fund. We commend the Technical Cooperation Department for its efforts to better prioritize and to answer more efficiently and effectively both the management and reporting needs of donors and the development requests of recipient partners and encourage these efforts to continue. The mainstreaming of the Country Programme Framework model is an important step in ensuring greater policy coherence. In this regard, Canada welcomes the efforts to have Country Programme Frameworks in place for all partner countries by 2007-2008 and to benchmark projects against the Millennium Development Goals. Efforts to develop partnerships with other United Nations Organisations, as well as with NGOs and to feed into such processes as NEPAD are also welcome. Canada supports the introduction of National Participation Costs for partner countries. We remain of the belief that the fund should remain voluntary and not be linked to changes in the regular budget.

The Program of Action on Cancer Therapy is another important initiative that Canada supports. I would also like to note that Canada will host the Women in Nuclear Global Conference in May 2006, thereby demonstrating our commitment to the role of women in the nuclear industry, this in addition to our support of Women in the Secretariat.

5. Closing Remarks:

In closing, Mr. President, I would like to reaffirm Canada's strong commitment to the Agency, its Director General and to the Secretariat in its mission to promote the use of nuclear power for peaceful purposes, while preventing diversion to nuclear weapons programmes.

On a personal note, I would like to conclude by mentioning what an honour it has been both for my country and for me personally to chair the Agency's Board of Governors over the past year.

Thank you, Mr. President.