

**STATEMENT BY
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HEAD OF DELEGATION OF MALAYSIA
TO THE 52ND REGULAR SESSION OF THE GENERAL CONFERENCE
OF THE INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)**

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Mr. President,

1. On behalf of the Delegation of Malaysia, I wish to take this opportunity to congratulate H.E. Ambassador Gianni Ghisi, the Permanent Representative of Italy to the International Atomic Energy Agency (IAEA), on his election as the President of this 52nd Regular Session of the General Conference of the IAEA. My Delegation is confident that this Conference will come to a successful conclusion under his Presidency.

2. My Delegation also wishes to congratulate the other distinguished members of the Bureau on their election. As in previous years, the Delegation of Malaysia will continue to give our full co-operation to ensure a successful conclusion of this Conference.

3. My Delegation further wishes to congratulate and welcome the Kingdom of Lesotho, Sultanate of Oman, and the Independent State of Papua New Guinea, all fellow members of the Non-Aligned Movement (NAM), as the newest members of the IAEA.

Mr. President,

4. My Delegation also wishes to express our appreciation to the IAEA Director General, Dr. Mohamed ElBaradei, for the review of the work of the IAEA in his statement to the Conference. We share his concern that the Agency's Technical Cooperation Fund (TCF) continues to lag behind the pressing needs of developing countries. In this regard, my Delegation reiterates the need for the IAEA to ensure an equitable balance between the three pillars of its mandate, comprising Nuclear Applications, particularly through Technical Cooperation, Nuclear Safety and Security, and Nuclear Verification. This is especially important with the emerging convergence of a global nuclear energy renaissance with a need to ensure the efficient use of nuclear power, while also addressing nuclear safety, security and the verification of nuclear weapons non-proliferation safeguards by the IAEA.

5. The emerging global food crisis that is giving rise to increasing food prices also needs the attention of the IAEA in collaboration with the United Nations Food and Agriculture Organization (FAO). In view of the proven benefits of nuclear technology applications in food production and agriculture, my Delegation supports the continued operation of the Joint Division of the FAO and IAEA and looks forward to a successful resolution of this matter between these important international organizations.

6. It is in this spirit that my Delegation looks forward to the new three-year IAEA Technical Cooperation Programme cycle, which gives emphasis to food and agriculture, human health, natural resources, and nuclear power, in line with growing demand for technical cooperation for both peaceful non-power and power applications of nuclear technology from developing Member States. Towards this end, it is necessary for resources for the Management of Technical Cooperation for Development or Major Programme 6 be increased.

7. On the call for the establishment of appropriate mechanisms to ensure that the resources for the TCF are sufficient, assured and predictable (SAP), Malaysia can support the idea of changing the status of contributions to the TCF from being voluntary to that which is more obligatory on all IAEA Member States. Nevertheless, Malaysia fully supports the call to employ hedging mechanisms to protect against the erosion of the value of the TCF due to currency fluctuations, and also to establish appropriate criteria for setting the TCF targets in order to avoid the currently unfavorable experience that recipient Member States have to go through in negotiating the TCF targets.

8. In order to encourage more recipient States to provide extrabudgetary contributions to the IAEA, in line with the concept of shared responsibility, such as for the Regional Co-operation Agreement for Research, Development and Training related to Nuclear Science and Technology in Asia and the Pacific (RCA) projects, Malaysia calls for such contributions to be exempted from Programme Support Costs by the IAEA.

9. Malaysia, on its part, has consistently been honouring its obligations to contribute on time and in full to both the Regular Budget and TCF of the Agency, in addition to the extrabudgetary contributions for the RCA. As a Member State that has benefited from the Technical Cooperation Programme, Malaysia has, in return, also been supporting the Programme and other IAEA activities through in-kind contributions, the provision of experts and Fellowship training opportunities to other Member States, besides hosting various Agency activities.

10. In this regard, my Delegation wishes to thank the IAEA and put on record our appreciation for the continuing support of the IAEA Technical Cooperation Department in the implementation of IAEA Technical Cooperation projects and various other activities in Malaysia, including the trust given to Malaysia to continue hosting the IAEA Post-Graduate Educational Course (PGEC) on

Radiation Protection and the Safety of Radiation Services. My Delegation also wishes to express our gratitude to other Member States that had shown interest in the Course, which has attracted candidates not only from within our region but also from beyond.

Mr. President,

11. Since the early 1970's, the focus of IAEA Technical Cooperation projects in Malaysia was on the peaceful non-power applications of nuclear technology in the areas of human health, food and agriculture, industry and the environment. While these non-power applications will continue to be of national importance, future IAEA Technical Cooperation with Malaysia is expected to include planning and preparation for a possible implementation of a nuclear power programme, in view of increasing global and regional fossil fuel prices as well as diminishing alternative indigenous energy resources. This is especially important in light of the prospect of Malaysia turning into a net oil importer in less than a decade.

12. Realising this prospect, Malaysia is exploring the possible utilisation of nuclear energy to meet future demand, specifically for electricity generation, as stated in the Budget Speech by the Right Honourable Prime Minister of Malaysia, in his capacity as the Minister of Finance, to the Parliament of Malaysia on 29th August 2008. Pursuant to this, Malaysia is planning to conduct a comprehensive review of national institutional, infrastructural and other relevant requirements for the implementation of a nuclear power programme with a view to identifying all the gaps that may exist and, consequently, mapping out and implementing appropriate strategies to bridge those gaps. In this regard, Malaysia will seek the support of the IAEA in providing integrated missions to identify our national infrastructure preparedness and to develop a work plan towards this end.

13. My Delegation further wishes to record our appreciation to the IAEA and those Member States that have shown a keen interest in assisting us in planning and preparing for a possible implementation of a nuclear power programme, either on a bilateral or multilateral basis, including under the framework of the International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO). Malaysia looks forward to the cooperation for the mutual benefit of all parties concerned.

14. Towards this end, Malaysia has also been undertaking concrete actions towards strengthening its nuclear and radiological safety and security framework, including the drafting of a comprehensive national law to control strategic goods, which also covers nuclear related material, equipment and technologies. The law will take into account the provisions under the United Nations Security Council Resolution 1540 and also the Protocol Additional to the IAEA Comprehensive Safeguards Agreement, which Malaysia had signed on 22nd November 2005.

15. Malaysia has also made compliance with the non-legally-binding IAEA Code of Conduct on the Safety and Security of Radioactive Sources and its associated Guidance on the Import and Export of Radioactive Sources, as well as the non-legally-binding Code of Conduct on the Safety of Research Reactors as licensing conditions under national nuclear regulations. In addition, Malaysia has been implementing several other nuclear security measures on a bilateral basis, in line with growing global and regional concerns over the need to ensure supply chain security in international trade.

Mr. President,

16. Turning to the issue of the verification of nuclear weapon non-proliferation, Malaysia welcomes the statement by the IAEA Director General earlier during this Conference that the Agency has continued to verify the shutdown status of the nuclear facilities at Yongbyon in the Democratic People's Republic of Korea (DPRK) with the cooperation of that country. In this regard, Malaysia wishes to reiterate our support for the Six-Party Talks towards a verifiable denuclearization of the Korean Peninsula through the full implementation of the Joint Statement of the Six Parties dated 19th September 2005, in line with the Chairman's Statement for the 15th Association of South-East Asian Nations (ASEAN) Regional Forum (ARF) that was held in Singapore on 24th July 2008.

17. On the Islamic Republic of Iran, Malaysia also welcomes the statement by the IAEA Director General earlier in this Conference that substantial progress has been made, particularly that the IAEA has been able to continue to verify the non-diversion of nuclear material in Iran. In this regard, my Delegation wishes to also recall the Chairman's Statement of the 15th ARF, which encouraged all parties to continue diplomatic efforts in accordance with relevant UN Security Council Resolutions, and to show flexibility in pursuit of a comprehensive, long-lasting and proper solution of this issue. My Delegation further wishes to recall the Statement of the 15th NAM Ministerial Conference in Tehran on 27th to 30th July 2008 on the same issue, which stressed that diplomacy and dialogue through peaceful means must continue to find a comprehensive and long-term solution to the issue, and also the conviction that the only way to resolve the issue is to pursue substantive negotiations without any preconditions among all relevant parties. Malaysia also firmly believes that all safeguards and verification issues, including those of Iran, should be resolved within the IAEA framework, and be based on technical and legal grounds.

18. Malaysia, likewise, welcomes the statement by the IAEA Director General earlier in this Conference that the IAEA did not find any indication of actual work related to nuclear weapons development in the Socialist People's Libyan Arab Jamahiriya.

19. On the implementation of IAEA Safeguards in the Syrian Arab Republic, Malaysia also welcomes the report by the IAEA Director General to the IAEA

Board of Governors last week that the Agency was able to visit the installation at Al Kibar in Syria that was destroyed by Israel in September 2007 and to conclude that no indication of nuclear material at that site. My Delegation welcomes the full cooperation that Syria has provided to the IAEA on this matter.

20. On the application of full-scope safeguards to all nuclear activities in the Middle East, Malaysia regrets that there is no progress on consultations towards the establishment of a nuclear-weapon-free zone in that region. In this regard, Malaysia wishes to reiterate the need for a prompt establishment of such a zone in accordance with the United Nations Security Council Resolution 487 of 1981 and paragraph 14 of Security Council Resolution 687 of 1991, and relevant United Nations General Assembly resolutions adopted by consensus. Malaysia firmly believes that each such nuclear-weapon-free zone as a critical piece of a global jigsaw puzzle, which would eventually form a nuclear-weapon-free world. It may be recalled that Malaysia played a crucial role in the establishment of the South-East Asia Nuclear Weapon-Free Zone (SEANWFZ) through the Bangkok Treaty in 1995.

Mr. President,

21. Turning to the Report of the Commission of Eminent Persons on the Future of the IAEA, my Delegation wishes to commend the IAEA Director General for his initiative in establishing the Commission. Malaysia notes the call by the IAEA Director General to the IAEA Board of Governors last week for a structured discussion on the Commission's Report that could, perhaps, involve the establishment of issue-specific focus groups, which would look into each area in which the Commission had made proposals. Malaysia, however, deems that it is more appropriate for such discussions to be more broad-based with input from all Member States, considering that the future direction of the IAEA is a matter of extreme importance to all of its Member States. Nevertheless, Malaysia regrets that the report did not specifically address the need for long-term and sustainable financing of the IAEA Technical Cooperation Programme, which was envisaged to be one of the objectives of the 20/20 Vision Study.

22. As a matter of principle, my Delegation firmly believes that the future of the IAEA should be based on the fundamental bargain underlying the Treaty on the Non-proliferation of Nuclear Weapons (NPT), particularly the inalienable right of all the States Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I, II, and III of the NPT. This should encompass the need to respect the choice and decision of each country concerning the field of peaceful uses of nuclear energy that they wish to undertake, without jeopardizing their respective national policies or international cooperation agreements and arrangements for peaceful uses of nuclear energy and its fuel cycle.

23. Another fundamental principle is for developed Member States to promote the realisation of the legitimate need of nuclear energy of developing countries, by allowing them to participate to the fullest extent possible in the transfer of nuclear equipment, materials, scientific and technological information for peaceful purposes with a view to achieving the largest benefits and applying pertinent elements of sustainable development in their activities.

24. On the issue of nuclear disarmament and non-proliferation, Malaysia firmly believes in the need for any concern that any party may have on such matters to be best addressed through multilaterally negotiated, universal, comprehensive and non-discriminatory agreements. Malaysia also firmly believes in the need for nuclear weapon non-proliferation control arrangements to be transparent and open to participation by all States, and to ensure that they do not impose restrictions on access to material, equipment and technology for peaceful purposes required by developing countries for their continued development. It is also a matter of extreme importance that the IAEA Secretariat be allowed to maintain and enhance its impartiality and professionalism, particularly in carrying out its safeguards verification activities. Malaysia strongly rejects any attempt by any party to politicise the work of the IAEA, including its Technical Cooperation Programme, as this tantamounts to a violation of the Statute of the IAEA.

25. In parallel, there is also a need for nuclear weapon States and all States that are not parties to the NPT to exercise greater political will towards a general, complete and irreversible nuclear disarmament, as called for under the NPT.

26. At the operational level, Malaysia firmly believes in the need for the IAEA to sustain a proper balance of emphasis between the three pillars of its mandate on peaceful applications of nuclear technology, including technical cooperation, nuclear safety and security, and nuclear weapon non-proliferation safeguards and verification. In this regard, Malaysia does not see any need to impose any new or additional legally-binding safeguards obligation on NPT States Parties as a prerequisite for the peaceful use of nuclear technology beyond those of Comprehensive Safeguards Agreements and the Model Additional Protocol.

27. In order to sustain the relevance of the IAEA to the needs of its developing Member States, renewed attention should be directed to the promotional aspects of the mandate of the IAEA in terms of technical cooperation. In view of the respective obligations of Member States concerning IAEA safeguards, Malaysia rejects any notion that would impart any right for the IAEA Secretariat to exclude certain technologies from the IAEA Technical Cooperation Programme.

Finally, Mr. President,

28. Malaysia believes that any notion of a Global Nuclear Order should not worsen the dichotomy between developing and developed Member States by endorsing an emerging regime of nuclear technology suppliers and recipients on

top of an existing regime of nuclear weapon States and non-weapon States. This is especially important in the current period where more developing States need to develop legitimate peaceful nuclear power programmes to ensure their energy security and long-term sustainable development.

29. Malaysia further believes that any initiative to develop any multilateral approach to the nuclear fuel cycle and fuel supply assurances should not create such a new regime of nuclear technology haves and have-nots. Malaysia firmly believes that the establishment of any such multilateral approach or regime should be based on extensive, comprehensive and transparent consultation between all interested parties and Member States, and that all decisions should be taken by consensus.

I thank you, Mr. President.