Mr. President,

I join previous speakers in congratulating you on your election to your high office and assure you of the full support of the Hungarian delegation. I am convinced that with your outstanding skills you will steer the present conference to a positive conclusion.

The Hungarian delegation fully associates itself with the position that has been expressed by H. E. Roberto Antonione, Deputy Foreign Minister of Italy who spoke on behalf of the European Union as well as the acceding countries, including the Republic of Hungary.

Mr. President, Distinguished Delegates,

The period elapsed since the last General Conference was exceptionally rich in events for the Agency, particularly in the field of verification. Acting under the authority provided by safeguards agreements and additional protocols, the Agency continued to provide assurance of the peaceful uses of nuclear energy.

Hungary was among the first to sign and implement the Additional Protocol, so we were glad to learn that three years after its entering into force, the
Agency drew the first conclusion on the absence of undeclared nuclear material and activities in Hungary. On the other hand, Mr. President, we have witnessed alarming developments at the international arena since the last General Conference.

Hungary has followed with grave concern the revelations concerning the extent and nature of the Iranian nuclear programme. Fully acknowledging the right of all countries to benefit from the peaceful application of atomic energy, we cannot overemphasise, that this should be done with the widest openness and exclusively under the IAEA’s safeguards control. We deeply regret that the Director General’s second report on Iran contained in document GOV/2003/63, confirms the failure by this country to meet its reporting obligations under its comprehensive Safeguard Agreement with the IAEA. We fully support the Director General in his efforts to rapidly resolve all outstanding issues with Iran. In this he can draw on the support of the Board of Governors as demonstrated by the recently adopted resolution. Hungary welcomes this important action of the Board. We urge Iran to respond positively to the calls of the Member States and act in line with the provisions of the Additional Protocol in order to grant full transparency of its nuclear programme. This should be done with a view to enable the Board of Governors to draw definitive conclusion on the Iranian nuclear programme in November, or earlier.

The actions of the DPRK to block IAEA inspections at its nuclear facilities and its announced intention to withdraw from the NPT are also of major concern to us. We believe that the nuclear threat can never be a bargaining chip at the negotiating table. We are of the view that the DPRK has to comply with its NPT Safeguard Agreement which remains binding and in force. Therefore, we urge the DPRK to give up its policy of defiance and to come in full compliance with its obligations. At the same time we welcome the holding of the six party talks in
Beijing from 26th to 29th August 2003. We are hopeful that efforts in this framework will facilitate the peaceful solution of the DPRK’s nuclear programme.

Over the last years the Agency has played an important and commendable role in drawing up a full picture of Iraq’s nuclear activities in support of the relevant UN Security Council resolution. We thank the Agency for dispatching a team of inspectors to Iraq last June pursuant to this country’s comprehensive Safeguard Agreement. The activities of the previous Iraqi regime need further investigations. We therefore support the ongoing efforts in this regard.

Universal participation is the most important prerequisite for a reliable nuclear non-proliferation regime, but it is not the only one. A solid, stable, reliable verification system of high quality is also essential. This requires a firm budget. We have expressed our concern many times that with a zero real growth budget and a strengthened safeguards system the Agency will face difficulties in performing its tasks. We are therefore pleased that a consensus had finally been achieved on the Agency’s budget proposal for 2004-2005. But given what was asked for, the efforts to increase effectiveness and efficiency should not be relaxed.

Mr. President,

Hungary is gravely concerned about the threat posed by nuclear terrorism. We lend our full support to the endeavours of the international community aimed at preventing weapons of mass destruction and their components from falling into hands of terrorist or criminal groups. In this context we continue to attribute great importance to the security of radioactive and nuclear materials and installations. An efficient work in this field requires simultaneous national and international efforts, and we highly appreciate the Agency’s leading role in organising and co-ordinating these tasks. We welcome the success of the International Conference on Security of Radioactive Sources in Vienna this
March. Let us hope that our active participation in the event also contributed to its success. Hungary remains determined to support the Agency in its activities on this important issue. We were glad to receive in Hungary high-ranking officials of the Agency in June for a fruitful discussion on the possible forms of the Hungarian participation in international efforts to this effect. A direct financial contribution has already been transferred to the Nuclear Security Fund. Furthermore, we have allocated resources to provide in kind contribution to the activities of the Agency upon request. Several options are already under discussion and consideration.

Mr. President,

My delegation shares the view that national responsibility for nuclear safety is essential, as stipulated in all relevant international treaties and conventions. In recent years much has been done to increase nuclear safety in my own country. One of the most important achievements is that the medium term safety-upgrading project was successfully completed at our Paks nuclear power plant. Thanks to these measures the safety of the plant has been significantly enhanced. There were some important developments from the regulatory side, too. The Hungarian Atomic Energy Authority was one of the first among the Hungarian administrative bodies to introduce its own quality management system. Moreover the independence of the Hungarian Atomic Energy Authority, as the nuclear safety regulatory body, was further strengthened by the amendment of the Atomic Energy Act. In addition the supervision of the Hungarian Atomic Energy Authority has been transferred from the Minister of Economy and Transport to the Minister of Interior.

Indeed, Mr. President we are proud of our achievements but at the same time we are well aware that these do not justify complacency. The recent serious incident which occurred on April 10, 2003 at the Paks NPP during the chemical
cleaning of fuel assemblies in a vessel outside the reactor, reminded us that taking safety for granted invites trouble.

In order to reveal all causes, occurrences and consequences of the incident both the utility and the Hungarian Atomic Energy Authority have initiated and carried out thorough investigations. The findings of the investigations have been summarised and made public in respective reports. At the request of the Hungarian Government, the IAEA has sent an international Expert Mission to Hungary in order to perform an independent evaluation of the event and formulate recommendations to both the utility and the regulatory body. The mission report has recently been finalised and made public by the Hungarian Atomic Energy Authority. Presently action plans are being elaborated for the realisation of the recommended activities. Further support of IAEA in both the technical-scientific activities related to the recovery and clean-up actions at the power plant as well as in the implementation of the recommended improvements in the work of the regulatory body and the licensee would be highly appreciated.

It is clear to us that the significant problems caused by this incident we are facing today, cannot be solved by the same way of thinking that had lead to them. At the same time we also have to build on what was good in the past and to move to what could be improved in the future. Though it is early to draw all the conclusions, the event itself reminded us of the importance of safety culture and demonstrated our deficiencies. We are well aware that there is still room for further progress improving safety culture and there are still issues to be addressed. In that connection we note with satisfaction the success of the International Conference on "Safety Culture in Nuclear Installations" held in Rio de Janeiro last December. The conference highlighted the progress but at the same time emphasised that the safety culture concept needs to be deepened and broadened. We fully support this proposal. With regard to safety culture we welcome the publishing of INSAG-15 (Key Practical Issues in Strengthening
Safety Culture) which in our view will be an important and useful guide in our everyday activity.

We are well aware that nuclear safety is a permanent concern of the international community and its continuous improvement in all areas remain imperative. One important area is the development of safety standards where we recognise the essential role of the Agency. In our view the safety standards developed by the IAEA have created the necessary basis to provide a comprehensive international framework to deliver nuclear safety.

Mr. President,

Radioactive waste management is another issue of outstanding importance in Hungary, and our national efforts are efficiently supported by the international activities. In this respect I would like to commend the ongoing and future work at the IAEA related to waste safety and the establishment of waste safety standards. We welcome the outcome of the Conference on Issues and Trends in Radioactive Waste Management held in December 2002. In our view the preparations for the first review conference under the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management are common success of the Agency and the Member States. With respect to the Joint Convention it must be stated, however, that the adherence to it is still rather limited. Several important countries with wide experience in this field are missing. The absence of most of the developing countries is also regrettable, since radioactive waste management shall be solved wherever atomic energy is applied. I would like to ask the Secretariat of the IAEA to look for ways and means to rectify this situation. The results of the Model Projects conducted by the IAEA and the conclusions of the recent Rabat Conference give us promising examples.
The safe use of nuclear technology relies heavily on the accumulation of knowledge. In this regard the successful operation of any organisation is greatly dependent on its recruitment and management policy. It also applies to the Agency. We commend the Agency’s recruitment policy, the strict requirements of the selection procedure that take into account of both competence and scientific managerial quality of the candidates. We encourage the Secretariat to continue this practice.

Mr. President,

I will now turn to the Technical Co-operation (TC) programme of the Agency which is another key area of its activity. I believe that the success of the TC programme and the improvement of its quality and performance is the result of co-ordinated efforts. In that regard I would like to commend the hard work of the Department of Technical Co-operation and I welcome Ms. Cetto as the first lady ever appointed to Deputy Director General of the Agency. We are convinced that she will continue the good tradition of innovation and initiatives of the TC that have led the Agency to many changes and success. We support her intention to move from technology transfer as a primary operational principle to the idea of knowledge sharing. We agree that strong emphasis should be put on collaboration aimed at strengthening the institutional capacities of the Member States. I do think that the fellowship programme of the Agency is an essential tool to achieve this goal. At the same time we are convinced that the administrative work associated with the fellowship programme can be and should be simplified. We not only welcome the intention of the new DDG to make maximum use of national capabilities, including institutions and expertise, but stand ready to assist her in exploring such possibilities. Regional co-operation is a key issue in this and we believe that with good TC management from the Agency’s side it does not even need formal agreements as it is shown in Central Europe. The realisation of these excellent initiatives requires a firm TC budget. It
is my pleasure to announce that the government of Hungary has decided to further support the technical co-operation programmes of the Agency and pledge its voluntary contribution to the Technical Assistance and Co-operation Funds for 2004. We appeal to all Member States to pay their contribution in full and in due time to enable the Agency to meet the expectations.

Before concluding, Mr. President, I would like to express our gratitude to the Director General and his devoted staff for preparing many valuable documents for the present General Conference. We welcome the efforts resulting in a comprehensive picture of the achievements of the Agency in 2002. The documents and the debate of the General Conference provide a road map where the IAEA is to travel and the Agency`s budget for 2004 indicates the quantity of fuel available. In this context two trends seem to us evident: the wish to cover larger distance and the wish to save fuel - to get more mileage out of the vehicle. There is no doubt that the demand for international co-operation in nuclear field continues to increase and the Agency continues to play a crucial role. Again, we are pleased to note that the Agency has been an efficient and effective international institution serving well its main shareholders, the Member States.