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## International Atomic Energy Agency GENERAL CONFERENCE

## TWENTY-SIXTH REGULAR SESSION: 20-24 SEPTEMBER 1982

RECORD OF THE TWO HUNDRED AND FORTIETH PLENARY MEETING

Held at the Neue Hofburg, Vienna, on Tuesday, 21 September 1982, at 3.15 p.m.

President: Mr. SIAZON (Philippines) later: Mr. DAVIS (United States of America)

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GENERAL DEBATE AND ANNUAL REPORT FOR 1981 (GC(XXVI)/664 and Corr.1) (continued)

1. <u>Mr. OLLILA</u> (Finland) conveyed his Government's congratulations to the Agency on the occasion of its twenty-fifth anniversary. In accordance with its Statute, the Agency was playing a vital role for peace and prosperity throughout the world. Finland was firmly convinced that the Agency would be able to continue its work with success in the future and gave the assurance of its full support.

2. The Conference on Nuclear Power Experience had proved a great success and had made a very useful contribution to the discussions within the Agency by Member States.

3. Owing to climatic conditions and the fact that Finnish industry was highly energy-intensive, energy consumption in Finland per unit of production was one of the highest amongst the OECD countries. Seventy per cent of the energy consumed came from abroad. The share of nuclear energy in electricity production was very high, accounting for more than one third of the total. Since the principal components of nuclear power stations and all the fuel and fuel services such as conversion, enrichment and reprocessing had to be imported, Finland attached crucial importance to the stability and predictability of world markets. The same also applied to the political arrangements which accompanied international supply agreements. In that connection, it was worth noting the effectiveness and reliability of the Agency's safeguards system, the availability of sufficient resources for which was necessary in order to guarantee the prompt functioning of world markets.

4. Nuclear safety and nuclear waste management were among the foremost issues being discussed in Finland. The Government was seeking solutions to the problem of waste in terms of new legislation on the use of nuclear energy, now in the course of preparation. One of the new principles envisaged was that owners of nuclear power stations would be obliged to set aside each year part of the estimated cost of waste management. The Finnish Government was convinced that in the fields of nuclear safety and waste management it was essential to encourage extensive international co-operation and believed that that could only be achieved with the support of all Member States. A great deal had been done in the field of nuclear safety but efforts would have to be continued and the Finnish delegation welcomed the fact that the Agency had devoted so much of its effort to the management and final disposal of waste. Those activities should continue. 5. The Finnish delegation noted with satisfaction that, in carrying out its safeguards programme, the Secretariat had once again detected no anomaly which might have indicated a diversion of a significant amount of nuclear material under safeguards to the manufacture of any nuclear weapon, the furtherance of any other military purpose or the production of any other nuclear explosive device. Nevertheless, apart from the nuclear-weapon States, there were still four States in which certain facilities were not subject to safeguards and they included facilities in operation or under construction capable of producing weapons-grade material. That situation was a matter of some gravity for the Finnish Government, which was convinced that conditions for the peaceful uses of nuclear energy would be significantly improved if those facilities were placed under safeguards. A similar improvement might ensue if the leading Powers made significant and rapid progress in their talks on nuclear disarmament.

6. The Finnish Government was also concerned to learn that the Agency had been compelled for the first time in its history to acknowledge that in certain cases the safeguards it was applying were not such that it could carry out fully its verification responsibilities. It was absolutely essential for Member States to accord the Director General their full political and moral support to enable him to remedy that situation.

7. Finland welcomed the fact that in 1981 the accession of three additional countries to NPT and the ratification by the United States of Additional Protocol I to the Tlatelolco Treaty had helped to strengthen the non-proliferation regime. With regard to the efforts made to facilitate and promote nuclear trade and co-operation, it was worth noting that certain major suppliers had declared their readiness to simplify the terms they imposed on their exports.

8. Technical co-operation remained one of the three main objectives of the Agency. He was gratified to see that the Agency had rapidly increased its programme of technical co-operation with the developing countries, particularly in the course of the preceding few years. For its part, Finland had contributed

to technical assistance and was prepared to increase its contribution in the future. It was also ready to share with the developing countries the experience it had gained in the use of nuclear technology, ranging from preliminary studies to the construction of power stations, and including the acquisition of the necessary theoretical knowledge.

9. Finland believed that the work of the Committee on Assurances of Supply (CAS) lay at the core of international co-operation in the peaceful uses of nuclear energy. Working Group 1 had already arrived at a preliminary consensus on the principles of international co-operation involved and the Agency's role in relation to that co-operation. It was of paramount importance, however, for the Working Group and the Committee itself to make rapid progress and finish their work by the beginning of 1983. It was also to be hoped that the results so far obtained would assist the work of the United Nations Conference for the Promotion of International Plutonium Storage (IPS) had also made some headway in 1981, but it was regrettable to note that differences of opinion on certain fundamentals had recently become very pronounced. In fact, the whole of the international plutonium storage scheme seemed to be in jeopardy. His delegation believed that political consultations were called for at the present stage.

10. Finland was taking an active part in the preparations for the United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy. The Conference should refrain from discussing issues which were currently being examined by Agency committees or expert groups and the principle of consensus, which had so far been applied in all discussions on the peaceful uses of nuclear energy, should also logically apply to the Conference.

11. The problems which currently prevailed in the use of nuclear energy were complex. Apart from anything else, the growth rates in electricity consumption had been lower than predicted, as a result of which an identical situation had emerged in the growth rates of the world's nuclear generating capacity. GC(XXVI)/OR.240 page 5

The reasons were manifold: general economic recession, successful energy economy measures, the adoption of new technologies and public concern regarding nuclear safety and waste management. The Finnish delegation believed that the current doubts could only be dispelled if the public was given complete and objective information. At the same time, efforts should be stepped up to improve still further the operational safety and reliability of nuclear power stations, reduce deadlines for construction and find solutions to the problem of waste disposal. It was only by making full use of available resources, and particularly the possibilities offered by nuclear energy, that it would be possible to meet the immense energy needs of humanity in the coming decades.

12. <u>Mr. KHAN</u> (Pakistan) said that the current session of the General Conference, which marked the Agency's twenty-fifth anniversary, was a milestone in the history of the organization. It was equally an occasion for appraising the successes and setbacks. The Agency had done a remarkable job in the promotion of the peaceful uses of nuclear energy and the elaboration of a reliable system of safeguards. The technical assistance activities had been a success and had served to stimulate the nuclear power programmes of many developing countries. The Trieste International Centre for Theoretical Physics could be seen as one of the most successful activities. Even so, the first 25 years had also been marked by disappointments. The development of nuclear power had not been as rapid as initially predicted, the potential role of the Agency as a supplier of nuclear fuel had not materialized and the Agency had not been able to aid Member States in concluding arrangements for the financing of nuclear projects, as provided for in Article XI of the Statute.

13. The Pakistan delegation considered that the Agency's future would be strongly influenced by three factors: the prospects for a more rapid growth in nuclear power, which called upon the Agency to play a vital role in the development, safety and safeguarding of nuclear facilities; the increasing role of developing countries in shaping the policies of the Agency; and non-proliferation issues. 14. The Conference on Nuclear Power Experience had clearly indicated that nuclear power had emerged as a reliable and economical alternative and an almost inexhaustible source for meeting future energy needs in an efficient and environmentally safe manner. In his opinion, the period of stagnation in nuclear power growth was about to end and a new era of steady growth would soon be starting in most countries. There was no doubt that nuclear energy was essential not only for ensuring the economic stability of the industrialized countries but also for satisfying the needs of developing countries with an energy deficit, many of which were spending the bulk of their limited foreign exchange earnings on oil imports. It was anticipated that by the end of the present decade more than 15 developing countries would have introduced nuclear power into their grid systems. It was therefore vital for the Agency to prepare itself for that period of reversal in trend so as to provide the necessary technical support for power plant safety, waste management and the development of advanced reactors with more efficient fuel utilization.

15. If nuclear energy was to play a constructive role, it was essential to contain, reduce and eliminate the threat of proliferation on both the horizontal and the vertical plane. Emphasis was sometimes placed on horizontal proliferation while the fact that the immediate threat to world peace came from the uncontrolled escalation of the atomic arsenals of the nuclear-weapon States was ignored. Progress towards nuclear disarmament was dangerously slow. Yet horizontal proliferation was also a source of serious concern. His Government considered that nuclear weapons did not enhance the security of the small or less developed countries and might even add to their security problems. For that reason, it was firmly committed to the policy of non-proliferation and advocated the creation of a nuclear-free zone in South Asia.

16. He wished to emphasize that the cause of non-proliferation could not be advanced by denying or imposing restrictions on the transfer of peaceful technology. It had to be recognized that basic nuclear technology had already become widespread and that what had been learned could not be unlearned through unilateral legislative measures. The restrictive policies of the advanced countries had fostered doubts in many countries as to the long-term reliability of their supplies. Those policies were bound to be counter-productive because they encouraged the affected countries to develop their own fuel cycles and other facilities, which might be less economical and more difficult to regulate. Hence it was necessary to adopt a realistic approach to the transfer of technology and to bear it in mind that proliferation was essentially a political problem, which could be contained only by creating a climate of confidence and security. All countries should share the advantages of nuclear energy and the obligations imposed by it. The supplier States did not enhance their credibility or influence, nor promote the cause of non-proliferation, by unilaterally abrogating international treaties and solemn undertakings relating to supply. Irrevocable safeguards commitments had to be matched by irrevocable supply guarantees.

17. The unfortunate policy of unilateralism was also casting a shadow on the Agency. Pakistan, which had noted a growing tendency in the Agency to depart, gradually but perceptibly, from the provisions of the Statute, strongly believed in upholding the letter and the spirit of the Statute, which did not permit discrimination between Member States, whether or not they were parties to a particular treaty. He noted with regret that there was a tendency to discriminate between Member States in the provision of technical assistance, training and equipment. It had to be stressed that the Agency's own safeguards system, which was based on a consensus, was above the safeguards system applied to States party to a multilateral treaty and that the two systems could not be merged. He was opposed to any attempt to extend safeguards to associated facilities when a specific project or plan had been placed under Agency safeguards. Any attempt to modify or alter the Agency's safeguards system without prior consultation with and the approval of the overwhelming majority of Member States would be contrary to the Statute.

18. Another factor of importance for the Agency's future was that many developing countries whose nuclear programmes had made considerable progress were now anxious to participate more effectively in the various activities of the Agency. Their views should be duly taken into account. At the preceding session of the General Conference the developing countries had expressed their opinions on a number of major issues, which had resulted in the adoption of certain important resolutions concerning the staffing of the Agency, expanded membership of the Board and increased technical assistance. It was therefore time that the Agency became more responsive to the needs and aspirations of a great majority of Member States. 19. Resolution GC(XXV)/RES/386, adopted at the twenty-fifth regular session of the General Conference, had stressed the need to increase the representation of developing countries on the Secretariat staff, especially at the senior and policy-making levels, in order to rectify the existing imbalance. It was satisfying to note that the Director General had already taken steps in that direction; however, the imbalance was such that greater efforts were necessary.

20. Over the past few years the General Conference had discussed the need to increase the Board's membership and to amend Article VI.A.2 of the Statute with a view to improving the representation on the Board of the areas of Africa and the Middle East and South Asia, which were under-represented on it. It was essential to deal with that matter without further delay, and to that end his delegation had, at the twenty-second regular session of the Conference, submitted a compromise proposal for an increase of one seat for each of those two areas; that proposal had been accepted by the majority of Member States. Although other, more complex, solutions involving a much larger increase in the Board's membership had been proposed, his delegation considered that its own compromise formula deserved more serious consideration as it had the best chance of being adopted with the necessary two-thirds majority.

21. His delegation was seriously perturbed by the continuing inadequacy of the technical assistance resources and by the increasing imbalance between the technical assistance and safeguards budgets. While fully recognizing the importance of the Agency's safeguards system, safeguards should not, in his opinion, develop at the expense of promotional activities. Since 1970 safeguards allocations had increased by a factor of 25, whereas the resources of the Technical Assistance Fund had risen only by a factor of seven. Pakistan was not opposed to a justifiable growth in the safeguards budget but it failed to understand why the legitimate and pressing requests for technical assistance from developing countries should be denied year after year for lack of funds, while the resources for safeguards increased. He wished to appeal to the Director General to persuade the donor countries to be more generous in their contributions to the Technical Assistance Fund. In the long term the technical assistance programmes could not be solely contingent on voluntary contributions, but rather should be financed from predictable and assured sources, such as the Regular Budget.

22. The premeditated Israeli attack on the Iraqi nuclear research centre in June 1981 was a blatant violation of the sovereignty of an independent State. It was an event with far-reaching implications which called into question the very foundation of the non-proliferation system. That attack was a challenge to the fundamental right of every country to use nuclear energy for peaceful purposes. Israel had since been pursuing its policy of total defiance of all principles of international conduct as embodied in the Charter of the United Nations. Emboldened by the lack of firm international action in the preceding year, Israel had perpetrated further aggression, now against Lebanon, which had resulted in the massacre of thousands of civilians. It was high time that the international community took concerted action against Israel.

23. It should be recalled that at its twenty-fifth session the Conference had strongly condemned the unjustified Israeli attack on the Iraqi nuclear research centre and had decided to suspend the provision of any assistance to Israel under the technical assistance programme. The Conference had also called upon all Member States of the Agency to suspend the transfer to Israel of fissionable material and technology which could be used for the production of nuclear weapons and had decided to consider the suspension of Israel from the exercise of the privileges and rights of membership if, by the time of the twenty-sixth regular session, it had not complied with Security Council resolution 487.

24. The work of the Conference on Nuclear Power Experience would provide very valuable input for the United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy for Economic and Social Development. His delegation attached particular importance to the latter conference, which was to debate the matter of strengthening co-operation between supplier and recipient States. It also hoped that the Committee on Assurances of Supply, which was conducting an important dialogue between suppliers and recipients, would be able to submit its report before the start of that conference. 25. It was only after carefully assessing its short- and long-term energy requirements and its indigenous conventional energy resources that Pakistan had decided to introduce nuclear power to meet the country's growing energy needs. Its nuclear power programme had begun ten years previously with the construction of a power reactor, which had provided the country with useful operating and development experience, particularly since it had been deprived of outside assistance for the past six years and had been obliged to manufacture spare parts and fuel elements itself. His Government had officially approved the construction of a 900-MW light-water power reactor, which was due to be commissioned in 1989. That reactor would be placed under Agency safeguards. In addition to the development of a nuclear power programme his Government also attached particular importance to the application of nuclear energy in agriculture and medicine.

26. Lastly, his delegation fully supported the statement made by the Director General at the previous meeting to the effect that the Agency must preserve its reputation as an objective technical body. To achieve that end, the Statute would have to be strictly applied.

## Mr. Davis (United States of America) took the Chair.

27. <u>Mr. YAMATO</u> (Japan) said that the question of compatibility between the peaceful uses of nuclear energy and non-proliferation had been a major international issue for many years. The role which the Agency played in seeking a solution to problems of that nature would certainly continue to increase. In recent years, the Agency had been confronted with various difficulties. The credibility of its safeguards had been challenged, there had been discussions on the nature of its technical co-operation activities and their financing, and in connection with the administration of the Agency deliberations were continuing on the issues of the membership of the Board of Governors and staff recruitment policy. 28. The Agency's annual report for 1981 clearly demonstrated once again that in the long term the peaceful uses of nuclear energy, as the most promising of the alternative energy sources, would become more and more important. Japan, which had no energy resources of its own, was striving hard in that respect. Nuclear plants now accounted for roughly 12.5% of its electricity generating capacity, and its installed nuclear capacity was expected to rise to 46 million kW by 1990. His country had also been very active in the fields of spent fuel reprocessing, uranium enrichment and research on the treatment and storage of radioactive wastes.

29. National experience such as that which Japan had acquired in promoting the peaceful uses of nuclear energy should be properly shared. In that context, he particularly welcomed the valuable exchange of information and opinions at the International Conference on Nuclear Power Experience, held the previous week.

30. The Non-Proliferation Treaty (NPT) was an extremely important legal framework for international co-operation aimed at ensuring compatibility between the peaceful uses of nuclear energy and non-proliferation. The accession of Egypt and Antigua and Barbuda to NPT in 1981 and Papua New Guinea and Viet Nam in the current year was commendable. He called on all those countries which had not yet done so to sign NPT without delay. The unequal treatment given to nuclearweapon States and non-nuclear-weapon States in the Treaty had to be rectified if it was to be effective. That was why Japan had strongly urged all nuclearweapon States to conclude the "voluntary offer agreements" with the Agency by which they accepted the application of Agency safeguards to their peaceful nuclear facilities.

31. The Agency's safeguards should be constantly upgraded by improving the technology used in safeguards procedures so as to keep them in line with technical progress in safeguarded nuclear activities. His delegation accordingly

welcomed the decision that the Board of Governors should review the safeguards system and its implementation in the coming year. It was to be hoped that the Standing Advisory Group on Safeguards Implementation (SAGSI) would make recommendations which would facilitate the discussions. With regard to instances where the credibility of Agency safeguards had been challenged, it was particularly disconcerting to see that there was one country where it had been impossible to obtain the full assurances of verification of non-proliferation required. He sincerely hoped that the uncertainty would be dispelled as soon as possible. It would be lamentable if outside observers, after expecting so much from the safeguards system because of their misconception of its purpose. then became disillusioned with the system, or even with the Agency itself. The Secretariat was doing its utmost to improve the situation and all Member States should support those efforts. For its part, Japan was co-operating fully with the Agency in the promotion of safeguards research and development, particularly for sensitive facilities such as reprocessing and enrichment plants. His country had agreed in November 1980 to extend the stay of Agency inspectors, and the system adopted had operated smoothly since then.

32. With regard to the non-proliferation regime, it was necessary to avoid introducing measures which unduly restricted the peaceful uses of nuclear energy. In that context, his delegation welcomed the meetings held recently for the purpose of making the issue of "prior consent rights" more predictable and comprehensive. Japan had recently concluded a new nuclear co-operation agreement with Australia along those lines and was continuing to hold talks with the United States and Canada to the same end.

33. The Committee on Assurances of Supply (CAS), whose work was also connected with the question of compatibility between the peaceful uses of nuclear energy and non-proliferation, had made substantial headway, which would certainly be welcomed by the United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy for Economic and Social Development, to be held in 1983. In that context, it was important to recognize, as INFCE had already done, that the peaceful uses of nuclear energy and nuclear non-proliferation were two sides of the same coin and that the problem was a very complex one. 34. Nuclear safety was important for two reasons: first, because it was an essential factor in obtaining public acceptance, and second, because it was a basic prerequisite for the promotion of nuclear power. The Agency played an important role in that area and the publication of an annual report on safety would be valuable both for the development of nuclear power and for public acceptance.

35. Japan considered that methods for formulating and implementing more effectively the Agency's activities in the field of technical co-operation with developing countries should be reviewed in the light of the co-operation activities of the United Nations system as a whole. His Government had always given full support to that programme and had paid in full the assessed share of its voluntary contributions, as well as making additional contributions.

36. Activities under the Regional Co-operative Agreement for Research, Development and Training Related to Nuclear Science and Technology (RCA), to which Japan had become a party in 1978, were being carried out enthusiastically and would be extended for a further five years following the entry into force of the second RCA in June. To develop those activities further it was important to select projects which met the needs of the participating countries most adequately. Regional co-operation arrangements similar to the RCA should be set up in other developing regions, particularly in Latin America, where a co-operation scheme of that type was currently being planned.

37. Unfortunately, because of the gravity of the world economic situation there would be limits to the personnel and financial resources made available to the Agency. His delegation urged the Agency to spare no effort in reducing its budget to the maximum extent and wished to encourage the Secretariat to redouble its efforts to achieve a balanced allocation and maximum effective utilization of the available resources. At the same time, basic research work, which to a certain extent underpinned the three main activities of the Agency - technical co-operation, safeguards and safety should not be neglected. 38. Finally, on the occasion of the Agency's twenty-fifth anniversary and despite the numerous problems facing it, Member States should never forget their obligation to work together so that the Agency could forge ahead as an international organization contributing to the welfare and prosperity of mankind.

39. <u>Mr. BARREDA</u> (Peru) said that although, as the Director General had noted, the first 25 years of the Agency had been extremely fruitful, nonetheless a number of problems still existed, the most serious of which was undoubtedly the need to utilize nuclear energy more effectively in order to meet the needs of the economic and social development of the developing countries. The Agency had a vital role to play in that area while, for its part, the international community should endeavour in every way to achieve nuclear disarmament.

40. The activities carried out since 1976 under the Peruvian Nuclear Plan had made satisfactory progress, had achieved a positive cost/benefit ratio and had demonstrated the increasing importance of nuclear energy to the national economy. In the field of public health, Peru had succeeded in introducing and developing nuclear medicine in accordance with standards and criteria laid down by the Agency and the World Health Organization (WHO), and was attempting to allocate equitably the services available to the most needy sections of the population. Demand for radioactive materials used in nuclear medicine had risen from 12 000 mCi in 1978 to 28 000 mCi in 1980, and would probably reach 80 000 mCi in 1982. In agriculture, research on genetic improvements induced by gamma radiation had made it possible, particularly in the high Andes, to develop improved varieties of cereal and leguminous plants which could increase their yield by 100%. Success had also been achieved in improving the reproductive capacity of South American Camelidae, such as the alpaca and llama, which were the principal source of revenue in Andean valleys. Attempts were being made in the radioisotope laboratory of the National Agricultural University to optimize the utilization of agro-industrial by-products and to improve fodder in the high Andes by means of an extensive supplement system on the basis of radioisotope techniques. Such techniques were also being applied in fertilizer and

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irrigation studies. In the field of nuclear power, Peru was striving, with the aid of the Agency, to acquire the necessary competence in science, technology, planning and organization required for the introduction of nuclear power. His Government hoped to be in a position to take an official decision whether or not to embark upon a nuclear power project in 1985 or 1986. With regard to uranium ore mining and the evaluation and exploitation of uranium resources, Peru had succeeded in improving its infrastructure as well as its technical and personnel resources. It had thus been possible accurately to identify favourable uraniumbearing sectors.

41. Briefly summarizing the history of the co-operation agreement project for the Andean sub-region, he wished to thank the Agency for its support, and also the authorities of the RCA Member States visited by the heads of the nuclear commissions of the Andean countries in connection with the project.

42. Referring to the unfavourable impression and adverse climate that had been created by the behaviour of the nuclear-weapon States, he felt that the nuclear Powers which were Parties to NPT had not honoured their two most important undertakings under the Treaty, namely to attempt to achieve nuclear disarmament and to allow those countries which had renounced the possession of nuclear weapons access to nuclear technology for peaceful purposes. In that connection, recent action in the South Atlantic by a nuclear Power which had made use of a nuclear technique (propulsion) to military advantage against a country with no nuclear weapons had further aggravated the situation. The Agency should make a pronouncement in the near future on that point, which was a challenge not only to its prestige and credibility, but also to the existing non-proliferation regime.

43. <u>Mr. COPITHORNE</u> (Canada) recalled that, as had been pointed out by the Director General, the international nuclear community was at present in a difficult position. It was necessary that the Agency should nevertheless continue to serve its Member States and the noble cause of non-proliferation.

44. During the past year the Canadian nuclear industry had continued to grow. The first two 600-MW(e) CANDU reactors had gone critical and their commercial operation was to begin in the near future. The commissioning of the Pickering, Bruce and Darlington power stations would result in a doubling of Canada's present installed nuclear capacity. However, despite the excellent performance of CANDU reactors in terms of safety and economy and the support of the Canadian Government, the short-term prospects for that reactor system were bleak. A Canadian study showed that the long-term prospects for the nuclear industry were favourable and that the competitiveness of nuclear power should increase. The study concluded, however, that the short-term economic prospects were not bright. Exports could offer a solution, although the international market was uncertain and competition was becoming more and more lively.

45. Other problems were posed in connection with the opposition of the public to nuclear energy. In order to alter that state of affairs it was necessary both to improve yet further the operating safety of power stations and also to find ways of dealing with the disposal of radioactive wastes. Canada supported the Agency's efforts in that direction.

46. The Agency's role with regard to nuclear safety was particularly important in view of the diversity which would continue to be a feature of the advances in nuclear technology in different countries. The negotiation of multilateral agreements, the formation of a body of specialized inspectors and the formulation of universal standards would, however, present the Agency and all its Member States with delicate problems.

47. The treatment of high-level wastes was causing a number of countries, including Canada, considerable concern, and the Agency should be praised for its efforts in that regard. Canada believed that that problem, although it had technical aspects, was really a political one. Early in the same month an international conference on radioactive waste management had been held in Canada, attended by over 300 scientists and engineers.

48. Canada kept an open mind on the reprocessing option and, as one of the world's main uranium suppliers, accepted that reprocessing could provide a solution for waste management in the context of sizable nuclear power programmes. It did not believe, however, that that approach should be encouraged for the moment. There were various technically feasible and safe solutions for interim storage and the choice should be based on economic criteria. The CANDU programme provided for safe, cheap and effective storage on the sites of reactors and the steps that had been taken would cover the next 35 or 40 years.

49. With regard to the transfer of technology, he believed that, if the world economic situation did not improve, more countries could be expected to postpone their nuclear power programmes indefinitely. Not only would that have an adverse effect on nuclear trade; the fragile balance between the Agency's promotional activities and safeguards also risked being upset. Because of the threat hanging over national industries, non-proliferation measures would perhaps be subject to the demands of an increasingly competitive export market. In future the Agency might also be confronted with a trading environment in which there would no longer be any commercial incentives in non-proliferation commitments. Like the Director General, the Canadian delegation hoped that the Committee on Assurances of Supply and the coming United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy for Economic and Social Development could develop new approaches in that sphere. Canada had recognized very early that nuclear co-operation was fundamentally a question of relationships between governments and that the commercial dimension was only one aspect of the matter. For that reason it wished to enable its nuclear partners to benefit from its experience and, in particular, to help them reach a stage of development at which they would be able to choose their own fuel cycles. Canada was more than ever convinced of the value of a fuel cycle without reprocessing and of an integrated nuclear development approach closely linked to national energy objectives. Atomic Energy of Canada Ltd. was at present studying with a number of countries the joint development of a 20-MW(th) research reactor. The Canadian company's partners would in that way gain valuable experience and would be able to participate actively in the development of technology instead of benefiting from it passively.

50. Turning to the question of the Agency's budget he said that, in conformity with the policy of restraint that his Government was itself pursuing in the light of the general financial situation, it was imperative that the Agency demonstrate the greatest possible restraint if it wished to continue to benefit from the support of the Canadian Government.

51. The Canadian Government had again paid its contribution to the Technical Assistance and Co-operation Fund in full and had joined the consensus in relation to the target for 1983 and the indicative planning figures up to 1986. The Agency was fulfilling its statutory obligations and, in particular, was complying with resolution GC(XXV)/RES/388. However, he urged the Agency to examine its co-operation programmes critically in order to ensure that they were indeed in conformity with its general objectives and that they genuinely responded to the needs of Member States. Canada would assist the Agency in that enterprise and hoped that the Evaluation Unit would be called upon to play an ever more important role.

52. With regard to non-proliferation, the harsh reality with which suppliers and consumers were faced was such that the public would not accept nuclear power unless it was convinced that the technology could be controlled and that its transfer would not aggravate proliferation. For that to happen, it was necessary to convince the public that the technology itself was not a cause of proliferation; in that connection it should be pointed out that in the general apprehension regarding the risks of nuclear power no discrimination was made between vertical and horizontal proliferation. The international nonproliferation regime should not be static, but rather based on a dynamic equilibrium. Canada was not involved in a conspiracy of suppliers that was using culturally biased strategies to restrict access to nuclear technology. Experience had taught that proliferation was basically a question of political decision and national will.

53. Canada was aware of the need for a stable and predictable regime of international exchanges with due respect for non-proliferation requirements. It was now turning attention to the front end of the fuel cycle, believing it to be a sphere in which there could be a certain linkage between non-proliferation concerns and the assurance of supplies. Future progress would take place mainly in the context of multilateral agreements under the auspices of the United Nations and the Agency. The moment had come to develop institutional approaches and collective policies in order to attain the common objectives of nonproliferation. If Member States did not respond to that challenge in a way which was imaginative and just, the development of nuclear power would remain more of a threat than an opportunity for increased international co-operation. While waiting for nuclear power to make its full contribution to the satisfaction of world energy needs, great difficulties would have to be surmounted and, if confidence was to be maintained and the international regime was to keep its promises, it was necessary for the Agency to point the way. He was convinced that it would be able to do so.

54. <u>Mgr. PERESSIN</u> (Holy See) believed that after 25 years had elapsed it was appropriate to reflect on the aims of the Agency, on its past results and on its future tasks. Having taken note of the Director General's report to the General Conference and of the complex problems which the Agency had to face, the delegation of the Holy See wished to dwell on a number of problems which concerned nuclear energy today and were related to progress, security and peace.

55. The peaceful uses of nuclear energy had both advantages and disadvantages. The advantages of the very many applications of nuclear energy, whether in agriculture, food preservation, medicine or hydrology, were widely recognized. The most important sector, however, was that of energy production for industrial and domestic use at a time when energy sources were becoming increasingly rare and when energy production costs were rising. Nuclear power could contribute to the economic development of third-world countries and could help to prevent the dangerous phenomena of deforestation and desertification due to excessively intensive exploitation of non-renewable energy sources. The benefits of peaceful uses of nuclear energy should thus be extended to all countries, in particular to developing countries. Nuclear programmes should always be linked to other, complementary energy programmes, and co-operation between the industrialized and developing countries should be encouraged in order to ensure the progress of all States and increased understanding between peoples. GC(XXVI)/OR.240 page 20

56. The use of nuclear power did, however, involve risks, associated either with accidents which might arise at nuclear power stations or with the storage of radioactive wastes. Certain groups of naive idealists and even certain personalities from the scientific, political, cultural or religious worlds condemned the use of nuclear power simply for that reason. It seemed more realistic not to overlook any effort to guarantee the safe operation of power stations and safe disposal of wastes and to minimize thereby the risks incurred on the understanding that, as with any human enterprise, it was impossible to eliminate them totally. His delegation therefore welcomed the expansion of the Agency's nuclear safety programme; thanks to the efforts which had been made in that regard no fatal radiation accident had occurred at any nuclear facilities operated for non-military purposes. Those efforts should be pursued, especially as far as the long-term storage of radioactive wastes was concerned, and information of the public should be more extensive and more complete with a view to preventing the creation of an atmosphere of fear and distrust.

57. There was also need to mention the problem of military applications of nuclear energy and the manufacture in increasing numbers of sophisticated nuclear weapons, which were a source of fear and anguish. In the address delivered on 30 May 1982 during his visit to the United Kingdom, Pope John Paul II had expressly referred to that dangerous situation by saying that: "Our world is disfigured by war and violence". Noting that the capacity for the destruction of present society was greater than ever before, he had pointed out that modern warfare, whether nuclear or not, was an absolutely unacceptable means of resolving differences between countries and had no place in the future history of humanity. The IAEA had an important role to play in the context of the Non-Proliferation Treaty. The nuclear-weapon States should do all they could to apply Article VI of the Treaty. The results of the Second Special Session on Disarmament of the United Nations General Assembly had unfortunately been disappointing and a threat of nuclear war continued to hang over the world today. A comprehensive nuclear test ban treaty was absolutely vital if that threat was to be eliminated. In the message which he had addressed to the Second Special Session on Disaramament, John Paul II had reaffirmed that the Holy See supported all efforts aimed at

eliminating the risk of nuclear conflict; those efforts included the reduction by States of their arms in a progressive and equal way, and also in the waging of a patient but necessary campaign to make peoples aware of their responsibilities in the face of the insecurity and violence now reigning in the world. Appealing to all men to join their intellectual and spiritual forces, the Holy Father had stated: "Peace is not a Utopia nor an inaccessible ideal nor an unreasonable dream. War is not an inevitable calamity. Peace is possible. And because it is possible, peace is our duty – our grave duty, our supreme responsibility".

58. <u>Mr. do NASCIMENTO e SILVA</u> (Brazil) said that 1982 was an important year for the Brazilian nuclear industry: the first nuclear power station, Angra-I, had gone critical in March and was soon to be in operation, with a load factor of up to 50%; moreover, it had been found that Brazilian uranium reserves amounted to over 300 000 tonnes equivalent of yellow cake, of which 192 000 were measured and assured and 109 000 were estimated, or in other words Brazil had one fifth of the world reserves. One of the mines that had begun operation at the beginning of the year would be producing 500 tonnes of yellow cake per year. Brazil was making steady progress in the assimilation of all stages of the nuclear fuel cycle.

59. On the occasion of the twenty-fifth anniversary of the International Atomic Energy Agency, he felt it might be opportune to make a critical analysis of the Agency's achievements. With regard to technical assistance, Brazil's views of the Agency's activities, although positive as a whole, were somewhat mixed. The Agency's efforts to increase its capacity for technical assistance to developing countries were to be welcomed. On the other hand, his delegation deplored the fact that the Agency had adopted criteria which were not consistent with the relevant provisions of the Statute. In particular, it was regrettable that the Agency made use of expressions such as "nuclear explosive devices", which did not appear in the Statute but were employed in the context of the Non-Proliferation Treaty, to which the Agency was not a party. The universal application of such expressions by the Agency was contrary to its Statute. Those expressions, in fact, normally served to describe inoffensive projects which had nothing to do at all with the proliferation of nuclear weapons. Brazil had always defended the inalienable right of all States to have access to all aspects of the peaceful utilization of nuclear energy without commitments other than those which appeared in the Agency's Statute or which had been negotiated, accepted and applied on a universal basis and without discrimination.

60. The mechanism envisaged for international plutonium storage, though supplementing Agency safeguards, would introduce a new problem into the application of them. Hence its aim should be to avoid any unnecessary expenditure and duplication of effort and to respect the provisions of Article XII.A.5 of the Statute.

61. The Brazilian delegation, while recognizing the merits of the Agency's programme for 1983-88 and budget for 1983, was deeply perturbed by certain expenditure which, in its opinion, should be postponed at a time when almost all countries in the world were obliged to adopt stringent economy measures. It was not logical that the Agency should at the present stage abandon its policy of zero growth, and it was definitely not the right time to replace much of the existing standard equipment by second-generation equipment designed specifically for safeguards purposes. He was also worried by the cost of the safeguards programme: if the Agency increased the technical assistance and co-operation programme in the same proportion, the Member States would be faced with a very heavy burden which most of them would be unable to bear.

62. His delegation welcomed the training programme for young graduates from developing countries. That programme would unquestionably be a very great asset: it would enable trainees to compete more strongly for Professional posts in the Agency and enhance their usefulness to their home countries.

63. He welcomed the position adopted by the Director General with regard to nuclear disarmament and his reference to vertical proliferation. There was need, however, for clarification of the comment that, although no headway had yet been made towards nuclear disarmament, non-proliferation efforts had been remarkably successful. Such language was unintelligible to the layman, and it should perhaps be said that the nuclear-weapon States pursued their proliferation efforts undeterred and refused to submit to any control, whereas most of the non-nuclear-weapon States accepted Agency safeguards and had not shown the intention of acquiring nuclear weapons. One of the Agency's fundamental tasks was to prove to the public that nuclear energy did not pose a threat and that its risks were minimal. Such phraseology was detrimental to the Agency's image, and its credibility could be impaired.

64. <u>Mr. BACCHETTI</u> (Italy) stated that it was necessary to ensure that the efficiency and credibility of the Agency were consistent with the extreme importance of its functions and with the expectations of the international community. To achieve that end, the tendency to base the Agency's budget on the principle of zero growth should be accompanied by a careful choice of objectives. The international community expected the Agency to perform its tasks of promotion, mediation and objective control with increasing efficiency.

65. Within the Agency, the North-South relationship had not been improved by the concern of the developing countries for the tendency in developed countries to place increasing and often unilateral restrictions on the transfer of nuclear technology and materials. The developing countries rejected the idea that the growing restrictions imposed on such transfers had reduced non-proliferation to a political concern and to a matter of technical capacity exclusively vested in the developed countries. The nuclear-weapon countries were in fact making no parallel efforts to limit or reverse the trend towards vertical nuclear proliferation.

66. There was no doubt that those factors had largely conditioned the fundamental role of the Agency, which was to promote and guarantee the progressive expansion of international trade in nuclear technology and materials with a view to developing the peaceful uses of atomic energy. That process, however, should take place in conditions of absolute security through the strengthening of the Agency's effectiveness. As a party to NPT, his country recognized the need to implement that basic international treaty in the hope that it would become universal. Italy had always asserted that a system of full-scope safeguards should be established through persuasion rather than imposition. An approach of that kind would strengthen the Agency's credibility and efficiency and lead to a "new international consensus" on the harmonious development of the peaceful uses of nuclear energy, whilst providing an effective safeguard against the risks of proliferation. Despite the capital importance of Agency safeguards, his country could not help being alarmed by the level of expenditure committed to that programme, which accounted for one third of the total budget. The Agency also had a mandate

to make a decisive contribution to economic and social growth, especially in the least developed countries, while ensuring that atomic energy was not diverted towards non-peaceful purposes.

67. His country was firmly convinced of the usefulness of the technical assistance and co-operation programme and had decided to finance an important project for the eradication of the Mediterranean fruit fly in Egypt. Furthermore, Italy had recently concluded an agreement with the Agency and UNESCO concerning the financing of the International Centre for Theoretical Physics in Trieste, an institution which itself helped to promote a particularly important form of international co-operation.

68. The acceleration of the work of the Committee on Assurances of Supply gave grounds for hoping that progress would be made towards the broad international consensus which ought to be the aim of all co-operation in the peaceful uses of atomic energy. The present discussions should lead to conclusions which could largely contribute to the success of the forthcoming United Nations Conference for the Promotion of International Co-operation in the Peaceful Uses of Nuclear Energy for Economic and Social Development. His country believed the development of the peaceful uses of nuclear energy to be one of the key areas of international co-operation where progress was least possible as long as there were discriminatory relationships between countries or groups of countries, be they ones of superiority or inferiority. The Conference would have genuine chances of success and of contributing to man's economic and social progress only if there was a search for a consensus.

69. He welcomed the successful conclusion of the International Spent Fuel Management exercise. The Expert Group had recognized that the management of spent fuel should be conducted on a national basis but had noted that greater international co-operation was necessary and that the Agency should play a fundamental role as point of reference and promoter. The Italian energy plan provided for a reduction in oil consumption and the widest possible use of alternative energy sources. Nuclear power plants were scheduled to generate 8 million tonnes of oil equivalent of electrical energy in 1990. Furthermore, the option to run fast breeder reactors in Italy remained open.

70. <u>Mr. ERNEMANN</u> (Belgium) declared that he was concerned by item 8 of the agenda, relating to consideration of the suspension of Israel from the

exercise of the privileges and rights of membership. If a decision to suspend Israel was taken, it could jeopardize the very existence of the Agency. He recognized the legitimate grievances of Iraq following the Israeli attack on the Tamuz nuclear centre, grievances which had understandably been sharpened by the Israeli aggression in Lebanon and the recent, horrible massacres in Berrut. He hoped, however, that a mortal blow would not be dealt to the Agency by again distorting the principle of universality and the provisions of the Statute, particularly Article XIX.B.

71. It might be asked whether the Agency, in the 25 years of its existence, had fulfilled one of its main tasks, namely to ensure "so far as it is able, that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purpose". There was certainly discrimination between the recognized military nuclear States and the others. However, it could be asked whether some States had refused to place all their facilities under Agency safeguards because they somewhat cherished the desire to build nuclear weapons or explosives or because they wanted to keep all their options open. It was paradoxical that the Agency had succeeded in safeguarding, and even, in the case of Belgium, over-safeguarding, only those States which were dedicated to the cause of non-proliferation. As long as all facilities in all States were not subject to Agency safeguards, one of the Agency's primary aims - to contribute to peace - would not have been achieved since confidence between States would not have been assured.

72. The problem of military nuclear Powers could be solved only through general and complete nuclear disarmament, which was unfortunately a Utopian ideal at present. The only possibility was that those Powers should place their civil facilities under Agency safeguards, so that they did not enjoy too privileged a position. Some countries had made a gesture by opening a few such facilities for inspection, but that gesture was so limited at present that it seemed only symbolic.

73. His own country submitted its nuclear industry as a matter of priority to EURATOM safeguards. Those safeguards, the purpose of which was to ensure that nuclear ores, nuclear raw materials and special fissionable materials were not diverted from the uses which their users stated that they were intended for, were stricter than Agency safeguards. Despite the duplication, Belgium had

also accepted Agency safeguards under NPT as proof of its commitment to the cause of non-proliferation. Nevertheless, co-ordination between the Agency and EURATOM could still be improved considerably. He hoped the Agency would take more account of EURATOM inspections, as was stipulated, moreover, under Article 3 of the Verification Agreement.

74. The document containing the Agency's programme for 1983-88 and the budget for 1983 was an excellent one and constituted a source of reference. Owing to its current economic problems, however, his country could not endorse the draft 1983 budget, which reflected a real growth rate of 2% compared to 1982; nor could it approve the preliminary estimates for 1984 and 1985, which were 14% and 26% higher than the draft 1983 budget. In the present difficult period, the Agency, like all United Nations organizations, should keep as closely as possible to the target of zero real growth. Furthermore, his country very much regretted that it could not pay the recommended - if not demanded - voluntary contribution to the Technical Assistance and Co-operation Fund. His country's global effort in terms of development aid would be kept at a high level, but it would itself determine, within the current economic context, the amount of its voluntary contribution according to its established priorities, which did not always correspond to the objectives set through a consensus which it had not shared in reaching.

75. Soon 40% of the electricity generated in his country would be accounted for by nuclear power plants, so that Belgium would be one of the most advanced countries, if not the most advanced country, in the world in that respect. Within two years, the figure would exceed 55%. Belgium had built up an exceptional store of experience in the field of nuclear power plants. At the International Conference on Nuclear Power Experience, Belgian PWRs had accordingly been reported as being among the most efficient PWRs in the world. Concurrently, his country was pursuing its activities in a very large number of fields relating to the fuel cycle.

76. As a result of the development of its nuclear industry, his country considered that it could again lay claim to a permanent seat on the Board. It was a matter of concern to his delegation that the Board did not designate periodically the nine Members that were actually the "most advanced in the technology of atomic energy including the production of source materials". Although he appreciated the strong feelings of some delegations, he did not wish to see a revision of the Statute. However, if some did request a revision, his country would give the matter due consideration, provided certain essential features of the Statute and, at all events, the efficiency of the Agency and its Board, were safeguarded.

77. <u>Mr. SITZLACK</u> (German Democratic Republic) said it was disconcerting to note that because of the policy of confrontation and the arms race pursued by certain imperialist Powers, the international situation was marked at the present time by growing tensions and the threat of nuclear war. Consequently, the Soviet Union's unilateral commitment not to be the first to use nuclear weapons, which it had assumed at the Second Special Session of the United Nations General Assembly on Disarmament, was to be welcomed. That decisive step accorded with the vital interests of all peoples and was an example to the other nuclear-weapon States.

78. Nuclear power was the main source available for bridging the energy gap that was likely to develop. That had also been the conclusion of the International Conference on Nuclear Power Experience. Through its efforts, the Agency had substantially contributed to the excellent safety record achieved in nuclear activities throughout the world.

79. His delegation strongly endorsed the safeguards programme because of its close links with international security. The Non-Proliferation Treaty (NPT) was an effective instrument, but it was a matter of urgency to make the Treaty universal by increasing the number of signatory States and submitting all nuclear activities in non-nuclear-weapon States to international safeguards. Every effort should be made to ensure that the Agency's annual safeguards statement in the Safeguards Implementation Report could be made with everincreasing objectivity and reliability. He therefore welcomed the significant progress in the inspection effort and in the attainment of safeguards goals, and he supported the Agency's endeavours to overcome existing difficulties. The planned restructuring of the Department of Safeguards would help to enhance the effectiveness of safeguards.

80. Technical assistance and co-operation had always been among the Agency's main activities. The Agency should be commended on its efforts to increase the effectiveness of that programme. Several substantial improvements had recently

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been made; the problems arising from the use of various types of currency had been solved, the proportion of footnote- $\underline{a}$ / projects made operational and the number of multi-year project commitments had increased, and a start had been made to post-project evaluation. His country would contribute its share of the target for the Technical Assistance and Co-operation Fund and was particularly anxious to provide training in its institutes for scientists from developing countries. He wished to reaffirm, however, his repeated reservations concerning technical co-operation with certain countries in the light of recent developments. In the provision of technical assistance preference should be given to the least developed countries.

The meeting rose at 6.40 p.m.