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### FORTY-THIRD (1999) REGULAR SESSION

#### RECORD OF THE SECOND PLENARY MEETING

Held at the Austria Center Vienna on Monday, 27 September 1999, at 3.20 p.m.

President: Mr. KADRI (Algeria)

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The composition of delegations attending the session is given in document GC(43)/INF/15/Rev.3.

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#### Abbreviations used in this record

CTBT Comprehensive Nuclear-Test-Ban Treaty
DPRK Democratic People's Republic of Korea

EBRD European Bank for Reconstruction and Development

EURATOM European Atomic Energy Community

G-7 Group of Seven [leading industrial countries]

G-8 Group of Eight [= G-7+1] G-24 OECD Group of 24

INSARR Integrated Safety Assessment of Research Reactors ISTC International Science and Technology Centre

Kyoto Protocol Kyoto Protocol to the United Nations Framework Convention on

Climate Change

NPT Treaty on the Non-Proliferation of Nuclear Weapons

Pelindaba Treaty African Nuclear-Weapon-Free Zone Treaty

PHARE European Union programme of assistance for economic restructuring in

the countries of Central and Eastern Europe

RBMK High-power channel-type reactor (Soviet Union)

R&D Research and development

START Treaty on the Reduction and Limitation of Strategic Offensive Arms
TACIS Technical Assistance for the Commonwealth of Independent States

TCF Technical Co-operation Fund

Trilateral Initiative Trilateral Initiative launched by the Minister of the Russian Federation

for Atomic Energy, the Secretary of Energy of the United States and the Agency's Director General on 17 September 1996 to consider practical measures for the application of IAEA verification to fissile material

originating from nuclear weapons

UNSCOM United Nations Special Commission
WANO World Association of Nuclear Operators

WWER Water-cooled and -moderated reactor (former USSR)

# GENERAL DEBATE AND ANNUAL REPORT FOR 1998 (continued) (GC(43)/4)

- 1. Ms. MLAMBO-NGCUKA (South Africa), having congratulated Angola and Honduras on their admission to the Agency, emphasized that, as the new millennium approached, the Agency continued to play a pivotal role, not only in advancing the uses of "atoms for peace", but also in strengthening non-proliferation to rid the world of weapons of mass destruction. South Africa was convinced that the Agency would be able to rise to the challenges ahead and welcomed the Director General's efforts to enhance the effectiveness of the Secretariat and ensure that the Agency remained an example of cost-effectiveness and competence, meeting the needs of Member States and remaining alert to possible new dangers. In that connection, South Africa welcomed the Senior Expert Group's report and recommendations and the Medium Term Strategy developed by the Director General on the basis of those recommendations. The Director General's commitment to safety was also worthy of praise.
- 2. Just as the Agency remained pivotal in the promotion of the peaceful uses of nuclear energy, South Africa, the only founding member of the Agency to have destroyed its nuclear weapons, remained steadfast in its commitment to the work of the Agency and the ideals enshrined in its Statute. Furthermore, it welcomed the new thematic approach introduced at the previous session of the General Conference through the Scientific Forum and intended to participate actively in the discussions which would be held there on nuclear power and sustainable development.
- 3. In her country's view, the fact that the President of the General Conference and the Director General of the Agency were from Africa attested to the role that Africa played in the promotion of global development. As a continent, Africa had shown an outstanding commitment to non-proliferation. Not only were all the African countries parties to the NPT, they were also firmly committed to the Pelindaba Treaty. As the new millennium approached, the partnership between the Agency and Africa assumed particular significance for the renaissance of the continent. South Africa therefore encouraged the Director General and the Agency to continue to work closely with African Member States to ensure that technical co-operation made a meaningful contribution to sustainable development.
- 4. Turning to the Model Projects for technical co-operation, she said that South Africa was strongly committed to theoretical and practical training in the area of radiation protection and nuclear safety and supported the establishment, in co-operation with the Agency, of an African regional centre for radiation protection training in South Africa. The first postgraduate courses had begun at the Schonland Centre of the University of the Witwatersrand on 26 July 1999, with the participation of graduates from several African countries. While South Africa appreciated the extensive assistance provided by the Agency in establishing that training centre, it joined other African countries in hoping that the Secretariat would take further initiatives to enhance the role of regional training centres.
- 5. With regard to South Africa itself, she expressed her delegation's deep appreciation to the Agency for its support in the area of technical co-operation and welcomed the fact that

technical co-operation projects in South Africa had increased significantly as a result of a number of successful project proposals for the 1999-2000 cycle. The establishment of a Country Programme Framework for South Africa was almost complete and should further the implementation of technical co-operation projects of vital importance to the country.

- 6. Co-operation between the Agency and South Africa in the area of isotope hydrology, in particular through the Schonland Research Centre in Johannesburg, dated back to the early 1960s and the signing of the first research contract for the development of isotope enrichment techniques. In the following decades, other joint initiatives had been undertaken to further the application of isotope techniques to water problems, and South Africa had contributed regularly to the Agency's four-yearly isotope hydrology symposia, particularly on the subject of arid zone problems. The most ambitious joint initiative by the Agency and South Africa in recent years in that area was the southern and eastern African regional Model Project on sustainable development of water resources, which brought together seven countries and fostered cross-continental co-operation and networking. The Johannesburg group had been designated as the regional centre for the project and was providing analytical, training and scientific support. The Agency was currently modernizing the centre to meet the increase in demand, and her delegation was deeply grateful to the Agency for its efforts in that regard.
- 7. South Africa was pleased to announce that the work to develop the pebble-bed modular reactor had advanced over the previous year. As that technology was not in commercial use anywhere in the world, the Agency had been requested to investigate and advise on the technical and economic feasibility, safety and proliferation aspects of the reactor. The study was already in progress, and several meetings had taken place in South Africa and at the Agency's Headquarters. It was expected that the final report would be submitted to the South African Government in early 2000; the Government could then take a decision and enlist popular support with a view to achieving the necessary national consensus on the project. South Africa noted the international interest and enthusiasm which the project had aroused and was grateful to the Agency for sharing the cost of the study with South Africa under the technical co-operation programme.
- 8. With regard to the funding of technical co-operation in general, South Africa was pleased to note that new donors had emerged. Their contributions brought closer the achievement of one of the principles and objectives of the indefinitely extended NPT, namely that technical co-operation funding should be predictable and assured. After thanking the countries that had contributed regularly to the TCF and urging them to continue to do so, she called upon all Member States to pledge and pay their dues on time. For its part, South Africa would be pledging its full share of the target for the year 2000.
- 9. South Africa was fully committed to the principles and objectives of the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management. It was currently addressing the issue of radioactive waste management in terms of legislation and strategy and should be ratifying the Joint Convention in the second half of 2000. The Agency should continue to help African States fulfil their obligations and derive benefit from the conventions on safety. South Africa also welcomed the Agency's

activities to identify and evaluate systematically the problems associated with the transition to the year 2000, particularly its role in co-ordinating the exchange of information among Member States.

- 10. With regard to safeguards and verification, she noted that South Africa had participated actively in the conclusion of the Model Protocol additional to safeguards agreements. Her country, which would be chairing the NPT Review Conference in 2000, considered that the Agency had a key role to play in achieving the objectives of the Treaty. It shared the view of many countries, particularly the developing countries, that substantial progress needed to be made in the area of disarmament. The NPT had never meant that a small number of States could possess nuclear weapons indefinitely.
- 11. South Africa welcomed the resumption of trilateral negotiations between the Agency, the United States and the Russian Federation on the dismantling of nuclear warheads in the Russian Federation. New responsibilities would undoubtedly fall to the Agency as a result of those negotiations, and the funds required would have to be provided collectively. South Africa would participate with interest in the discussions on the issue in the Board of Governors.
- 12. Lastly, with regard to funding, she said that South Africa was concerned about the attempts by certain Member States to limit the budget of the Agency by applying the principle of zero nominal growth. The Agency could not be expected to meet new challenges if it faced such serious impediments. South Africa therefore urged the countries in question to meet their obligations and ensure that the Agency had adequate resources.
- 13. <u>Mr. RICHARDSON</u> (United States of America) read out the following message from Mr. Bill Clinton, President of the United States:

"At the threshold of a new millennium, we still face many dangers, but the world is a safer place thanks to the work of the IAEA. The twentieth century witnessed the development of an awesome source of energy. Fortunately, the IAEA exists to help secure the peaceful uses of nuclear energy while combating the spread of nuclear weapons. As the inspection arm of the Non-Proliferation Treaty, a promoter of peaceful nuclear applications and safety, and provider of technical assistance, the IAEA contributes every day to international security and human betterment.

"Looking ahead, the IAEA can help advance new priorities, such as strengthening the Convention on the Physical Protection of Nuclear Material and gaining full implementation of the strengthened safeguards system. The IAEA can also play a role in helping to prevent a return of the nuclear arms race by verifying materials declared excess to defence needs in the nuclear-weapon States and the proposed fissile material cut-off treaty. Together with the Comprehensive Nuclear-Test-Ban Treaty, these initiatives will further reduce the roles and risks of nuclear weapons, and ultimately eliminate them. The IAEA is essential to these efforts. I challenge this Agency to maintain and to raise the standard of excellence it has set for more than forty years."

- 14. The "awesome source of energy" to which President Clinton had referred brought extraordinary responsibilities. The situation had changed dramatically since the beginning of the nuclear era. Who could have predicted the sheer scale of the arms race during the Cold War, or its sudden end? Who could have imagined the superpowers awash with surplus nuclear materials, or engaged in a new race to reduce their nuclear stockpiles? In order to meet the new challenges, a new agenda was required, resting on four pillars: preservation of the NPT regime, control of nuclear materials, promotion of the safe use of nuclear power, and management of the back-end of the nuclear fuel cycle.
- 15. Firstly, in order to reduce nuclear risks, steps should be taken to preserve the NPT and ensure that the Review Conference in 2000 made a fair and balanced analysis that strengthened all the Treaty's elements. The United States was as firmly committed as ever to meeting the objectives of the NPT, including nuclear disarmament. It was working with Russia on progressive and systematic reductions in nuclear forces both within the START framework and through unilateral actions, and it hoped that START II would enter into force shortly so as to allow a quick move forward to START III which, for the first time, would include the elimination of warheads in the arms control process.
- 16. The United States had considerably reduced its nuclear forces pushing dismantlement capacity to the limit. Since 1993, when START II had been signed, it had dismantled over 7000 nuclear weapons. Over the last decade, more than 13 000 nuclear weapons had been eliminated from the stockpile, almost 50% of the country's Cold War peak. The United States was also in the process of transforming the infrastructures for nuclear-weapons production: the Department of Energy had recently closed, or was converting to commercial use, four nuclear-weapons production facilities, and it had reduced the nuclear workforce by one third.
- 17. The Russian nuclear-weapons arsenal was also being reduced, but in the face of difficult economic and social conditions. During the previous session of the General Conference, he and Mr. Adamov, the Russian Minister for Atomic Energy, had launched the Nuclear Cities Initiative, which was already bearing fruit: he would be opening a new computer centre to serve as a magnet for commercial software development in Sarov later in the week; the process of converting weapons facilities and creating jobs in Sarov and Snezhinsk was being accelerated; and a new international business centre would be opening shortly in Zheleznogorsk to promote local commerce and links with industry.
- 18. The United States had contributed with other countries to achieving one of the most difficult arms control objectives, namely the conclusion of a Comprehensive Nuclear-Test-Ban Treaty. He was working with President Clinton to get the Treaty ratified as soon as possible by the United States Senate.
- 19. The conclusion of a fissile material cut-off treaty was his Government's next multilateral priority. He hoped that such a treaty would be concluded as soon as possible and urged all States that had not yet done so to declare a halt to the further production of fissile material for nuclear weapons. Furthermore, the United States could not stand by when States such as Iraq and the DPRK violated their obligations under the NPT and the Agency's

safeguards system. In Iraq, Agency and UNSCOM inspectors must be permitted to resume their operations immediately as provided for by United Nations Security Council resolution 687. As to the DPRK, the United States was continuing to demand the complete accounting of that country's past nuclear activities, consistent with the requirements set forth in the Agreed Framework between the United States and the DPRK. There was no alternative.

- The second pillar for a safer world was the control and protection of nuclear materials. The end of the Cold War had revealed new dangers, including vast quantities of nuclear materials surplus to military needs and vulnerable to theft. The objective was to secure, consolidate, monitor and dispose of such materials. As part of the Trilateral Initiative, the United States and the Russian Federation would be submitting large stocks of fissile material to international verification, thus confirming their mutual pledges never again to use those materials for the production of nuclear weapons. For his country, completing the Trilateral Initiative was one of the highest priorities for the following year, and it would be making additional funds available to achieve that goal. However, the Initiative served global ends, and the Agency's verification activities should therefore be financed by the international community. Surplus nuclear materials needed to be secured through ultimate disposition, and he hoped that the United States and Russia would shortly be taking a huge step towards that goal by signing a bilateral agreement establishing a schedule for the disposition of more than 60 t of plutonium removed from the military programmes of the two countries. The Agency would have a role to play in verifying the application of the agreement. The United States had invested US \$200 million to assist Russia in that programme, but additional support from all Member States was required.
- 21. Other nuclear material was also being controlled. By the end of the year, more than 80 t of highly enriched uranium, an amount sufficient to produce more than 3000 nuclear bombs, would have been eliminated under the purchase agreement for highly enriched uranium between the United States and Russia. In co-operation with Russia, the United States would also have improved the security of a further 50 t of highly enriched uranium and plutonium within the framework of the joint material protection, control and accounting initiative.
- 22. The United States was also prepared to work with Russia and the Agency to manage and dispose of highly enriched uranium of Russian origin remaining in research reactors in a number of countries; an initial meeting of the States concerned would be held at the Agency in 1999 to consider that issue.
- 23. There was still much to be done in the United States itself. The Department of Energy was currently reducing the number of sites storing surplus plutonium and highly enriched uranium. It was expected that the site receiving much of the plutonium the new K-Area storage facility at the Savannah River Site would be ready for Agency safeguards by mid-2000.
- 24. Finally, it was important to focus also on the challenges of the future in the area of nuclear materials, and in that connection he welcomed the decision by the Board of

Governors to authorize the Agency to monitor the separation of neptunium and americium in non-nuclear-weapon States.

- 25. Making the benefits of the peaceful uses of nuclear energy available worldwide was a priority, and the United States, as a strong supporter of the Agency, had contributed \$18 million to the TCF in 1999. However, those benefits must be provided in an environment that was conducive to safety; that was why safety was the third pillar of the nuclear future. The United States had ratified the Convention on Nuclear Safety earlier in 1999, and would soon be ratifying the related Conventions on civil liability and on safe spent fuel and radioactive waste management to help pave the way for a more secure future.
- 26. Although the potential of nuclear power as a clean source of energy was well known, steps needed to be taken to preserve its viability in the future. In order to meet that challenge, the United States Department of Energy had in 1998 launched a nuclear energy research initiative to utilize the expertise of the Government, industry and universities for the development of technologies that were safe, created less waste and were more proliferation-resistant than those currently in use. Research and development programmes should shortly enable nuclear reactors to be made more efficient and economical and allow nuclear waste to be reduced through the use of accelerators.
- 27. The United States wanted to work together with the other members of the Agency to achieve those objectives. However, the past the accidents at Chernobyl and at Three Mile Island in the United States should not be forgotten. The Agency had a leading role in improving the safety of older reactors throughout the world, and his country pledged to meet its commitments under the Memorandum of Understanding between the G-7 and Ukraine to close Chernobyl permanently by the year 2000 at the latest. The United States and other countries were continuing their assistance to Ukraine, and he urged other Member States of the Agency to become involved in that vital mission.
- 28. The United States welcomed the Agency's workshops, field missions and guidance documents designed to prepare nuclear facilities throughout the world for the transition to the year 2000. Facilities needed to be completely ready. Where problems could not be resolved, contingency plans should be developed to prepare plant operators and regulators.
- 29. He shared the Director General's view that it was important to remain vigilant against public health risks arising from poorly stored or unprotected radiation sources that had become "orphaned". The United States would be providing the Agency with a cost-free expert to assist in implementing the action plan to identify and remove those insidious and threatening nuclear hazards.
- 30. The fourth pillar of the nuclear agenda should be the management of the world's growing inventory of civil spent fuel and separated plutonium. More civil plutonium was being separated than was being recycled in conventional power reactors, more than 200 t of separated civil plutonium all usable to make nuclear devices was being stored around the world, with the quantity increasing each year, and the maximum global capacity for the storage of spent civil fuel had almost been reached. As the stocks of civil spent fuel and

plutonium rose, so did the risks of proliferation. A unified vision was required to manage that "back end" of nuclear power production.

- 31. First, States should co-operate to ensure that adequate spent fuel storage capacity was available to obviate the need for reprocessing. The question whether consolidated, international storage of spent fuel and plutonium was possible should be studied.
- 32. Secondly, it was important to achieve the objective set out in the international Guidelines for the Management of Plutonium, namely to balance civil plutonium supply and demand. To that end, the United States would maintain its current policy of not encouraging the use of civil plutonium, but at the same time not altering its existing commitments in that area. Those countries which had not yet decided how to manage their spent fuel the United States would urge to consider long-term storage and direct disposal as a means of dealing with the accumulation of such stocks.
- 33. Thirdly, long-term strategies for reducing existing stocks of already separated civil plutonium should be explored. The burning of plutonium in mixed oxide fuel reactors was one alternative. Immobilization and direct geological disposal was another. The United States was working to develop the latter approach and was prepared to share the results of its efforts. In that connection, he suggested that a special international meeting should be held in 2000 to review the status of that technology and to set an agenda for future research. The Department of Energy would be holding an international conference on geologic repositories in Denver, Colorado, in the coming October an event he had announced during the previous session of the General Conference which should give new impetus to discussions on the safe, secure and transparent disposal of spent fuel and nuclear waste.
- 34. In conclusion, he said that although the responsibilities to be borne were enormous, there were extensive opportunities ahead which the international community should grasp for the benefit of future generations.
- 35. Mr. AGHAZADEH (Islamic Republic of Iran), after welcoming Honduras and Angola and briefly reviewing the global energy situation, considered how the challenges of the twenty-first century could best be met. Firstly, it would be necessary to strike a commercially sound balance among the various energy sources, taking into account their cost-effectiveness, with a view to facilitating the transfer of technology to developing countries; that endeavour should make use of synergies among the various competent organizations and should aim to achieve sustainable development. Secondly, the various aspects of "globalization" would have to be regulated to ensure maximum participation of all States through the systematic development of the component elements of the global economy, such as free capital flows, trade in energy and energy consumption. Thirdly, the Agency should make greater efforts to foster the use of nuclear energy, particularly in developing countries, by establishing special international funding, and it should play a greater role in controlling the greenhouse effect within the Clean Development Mechanism framework of the Kyoto Protocol.

- Even if some States, in response to adverse public opinion, were relying less on nuclear power, that should not prevent the Agency from helping to develop the technical capacities of other countries in accordance with Article IV of the NPT. That Treaty was based on three pillars - non-proliferation, disarmament and peaceful use - in all of which areas deficiencies were evident. A determined pursuit of negotiations on global nuclear disarmament and the initiation of negotiations on a fissile material cut-off treaty, universality, and the application of comprehensive Agency safeguards to Israel's nuclear facilities might help to overcome those deficiencies. In addition, strict surveillance of the Middle East as a nuclear-weaponfree zone and, above all, the assurance of non-discriminatory access to peaceful nuclear technology would be necessary. In that context, the Agency should place greater emphasis on its role - confirmed in 1995 - as the competent authority responsible for verifying compliance with treaty obligations. In the meantime, the Nuclear Suppliers Group continued to assume the role of a control body behind the scenes. In accordance with the decisions taken in 1995, that Group should strive for transparency and open its doors to interested States. Its control of exports should not prevent States Party to the NPT from exercising their right to develop a peaceful nuclear capability, otherwise developing countries would continue their strong opposition to its activities. The Zangger Committee also should become more open in order to maintain its credibility among the States Party to the NPT.
- 37. Turning to illicit trafficking in nuclear material and the dumping of waste, he expressed concern about the lack of control over the distribution of radioactive sources and urged the Agency to pay due regard to the unconfirmed but alarming reports about nuclear waste being dumped in the Caspian Sea.
- 38. As to Article VI of the Agency's Statute, the reason why the matter had not yet been settled was that a political dimension was being given to an issue that was essentially administrative and legal. The initiatives and proposals to resolve the problem of the composition of regional groups would not succeed unless they took full account of the views of the States concerned and gained a consensus among them.
- 39. Measures related to neptunium and americium, as well as the application of safeguards to fissile material from dismantled nuclear weapons, should not place an additional burden on the Agency's promotional budget. The Agency needed to arrive at a judicious balance between its promotional and verification activities.
- 40. He welcomed the links established with the Agency for the implementation of the national peaceful nuclear programme, particularly with the Department of Technical Co-operation in the areas of medicine, agriculture, industry and safety. His country was ready to co-operate in the peaceful uses of nuclear energy with other States in the region through the transfer of technology or the export of nuclear material in order to achieve one of the Agency's main objectives, namely the promotion of the peaceful uses of nuclear techniques in developing Member States.
- 41. Mr. PLACHKOV (Ukraine) said that the year that had elapsed since the preceding session of the General Conference had been crowded with important events: the first meeting to review national reports under the Convention on Nuclear Safety had taken place, and the

process of ratification by Member States of the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, the Protocol to Amend the Vienna Convention on Civil Liability for Nuclear Damage, and the Convention on Supplementary Compensation for Nuclear Damage was continuing. All those instruments had laid the foundations for an international legal system aimed at ensuring the peaceful use of nuclear energy.

- 42. The efforts to strengthen the nuclear non-proliferation regime were also worthy of mention, in particular the fact that over 40 States had signed Protocols additional to their safeguards agreements. For its part, Ukraine also had a strong desire to contribute to the strengthening of the safeguards system and had initiated negotiations with a view to signing a Protocol additional to its safeguards agreement, which it hoped to do during the current year.
- 43. Noting the work on a revision of the Convention on the Physical Protection of Nuclear Material, he said that one of the most important aspects of nuclear non-proliferation was the development of effective measures to combat illicit trafficking in nuclear materials and other radioactive sources. Ukraine was counting on the Agency's assistance with the implementation of a national programme in that area, and it supported unreservedly the Agency's plan to elaborate practical measures to ensure the safety of radiation sources and the security of radioactive material.
- 44. Ukraine shared the international community's view that the problems of nuclear and radiation safety continued to be of pressing importance. It noted with great satisfaction the Secretariat's initiatives to evaluate the safety of Soviet-designed nuclear power plants still in operation in the countries of Central and Eastern Europe. A conference held in June 1999 had shown that considerable efforts had been made to improve the safety of those facilities and bring them to the same standard as plants in Western Europe, the United States and Japan. Ukraine too was making an active effort to improve significantly the safety of its plants and research reactors, whether in operation or under construction.
- 45. Over the past year, several laws had been adopted in the first reading by the Ukrainian Parliament on licensing of the use of nuclear energy, physical protection of nuclear material and facilities, and nuclear and radiation safety regulatory bodies. Moreover, a national nuclear regulatory office had been set up and had started operations, which bore witness to the strong interest the public authorities had in that issue.
- 46. The safety of the Chernobyl nuclear power plant, which was a source of constant concern to both Ukraine and the international community, had been the subject of a Memorandum of Understanding, signed in Ottawa on 20 December 1995, relating to the closure of the Chernobyl complex. Despite Ukraine's current energy crisis, the difficult decision to close two units at the Chernobyl plant had been taken and implemented. The unloading of the nuclear fuel from the reactor in Unit 1 had now started, after completion of the same operation in Unit 2. Negotiations were in progress with the EBRD and EURATOM regarding the construction of new units at the Khmelnitski and Rovno plants. No decision would be taken on the final closure of the Chernobyl plant until an agreement had been concluded on that matter.

- 47. The Ukrainian authorities also attached special importance to the project on the Shelter that had been constructed over the remains of Unit 4 at Chernobyl after the accident in 1986. The project aimed at making the Shelter environmentally safe with the assistance of the international community, which had assigned funds pursuant to the donor conference organized in New York. Unfortunately, those funds were insufficient to complete the project. Redoubled efforts were required from the international community to resolve the pressing problem of replenishing the fund for the Chernobyl Shelter. The Ukrainian Government, which was abiding by the commitments it had undertaken under the Memorandum of Understanding, was concerned that the search for the funds required to carry out all the activities envisaged by that Memorandum was far from yielding the desired results. It therefore welcomed the decision taken at the Cologne summit to convene a second donor conference by the summer of 2000, and appealed to all Member States of the Agency to support that important initiative.
- 48. The Ukrainian Government approved of the Agency's activities aimed at creating a global civil liability regime for nuclear damage, and fully endorsed the principles underlying it. In the very near future, the Ukrainian Parliament would be adopting a draft law on Ukraine's adhesion to the Joint Protocol Relating to the Application of the Vienna Convention and the Paris Convention.
- 49. His country was deeply appreciative of the Agency's efforts to solve the year 2000 computer problem. With the help of experts from the Agency and the international community, the Ukrainian authorities had begun to take preventive measures in all the country's nuclear power plants.
- 50. His delegation also greatly appreciated the co-ordinating role the Agency played in the field of technical co-operation, and welcomed the expansion of such activities in Ukraine. In 1999, a new biennial programming cycle had started which included 13 projects of major importance for Ukraine. In addition, Ukrainian organizations were becoming more actively involved in regional technical co-operation projects.
- 51. Ukraine approved the Agency's budget for the year 2000. Owing to the economic difficulties it was experiencing, it had unfortunately not been able to pay its assessed contribution in full, but it was doing everything in its power to clear its arrears and was planning to contribute approximately \$145 000 to the TCF for 2000.
- 52. In conclusion, he welcomed Honduras and Angola to the Agency and approved the Annual Report for 1998.
- 53. <u>Ms. FERRERO-WALDNER</u> (Austria), after welcoming the participants to Vienna, associated herself fully with the statement which had been made by the delegate of Finland on behalf of the European Union and said she wished to address two central issues.
- 54. The first, safeguards, constituted a precondition for international co-operation in the field of nuclear technology, and Austria welcomed the conclusion of 41 Additional Protocols and urged all States which had not yet done so to sign a Protocol. The second issue, nuclear safety, could no longer be viewed from a purely national standpoint given the high risks of

nuclear facilities. Her delegation therefore welcomed the international attention which was being given to certain aspects of safety, while remaining convinced that the risks of nuclear energy were such that they could not be acceptably contained. It also felt that the international conventions dealing with nuclear liability were far from satisfactory and that the Convention on Supplementary Compensation for Nuclear Damage had failed to attract sufficient support.

- 55. However, Austria respected the different view of other countries and would continue to collaborate with a view to securing maximum levels of safety in all types of facilities. In that context, she urged all States which had not yet done so to adhere to the Convention on Nuclear Safety and expressed the hope that the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management would soon enter into force. Austria had already signed that instrument and would be ratifying it in early 2000. Her country was also determined that nuclear safety should be viewed as a key element in future negotiations on enlargement of the European Union.
- 56. Turning to the issue of research reactors, she said that after the commendable work which had been done, it was time to embark on the elaboration of an instrument on the safety of facilities of that kind, which would be applicable to a great number of countries, including those that did not have nuclear power plants such as Austria.
- 57. The Medium Term Strategy contained some interesting thoughts, but it also raised the problem of defining the future role of the Agency which, in Austria's view, should lie more in the safety and safeguards fields than in the active promotion of nuclear energy.
- 58. The Agency had a particularly important role to play in the field of nuclear disarmament and arms control. In addition to building an integrated safeguards system, it was being called upon to provide new services in the nuclear disarmament area. Further reduction of existing nuclear arsenals would necessitate limitation and control of access to fissile material. Moreover, once a fissile material cut-off treaty had been concluded, the Agency would be well placed to act as a central verification body.
- 59. All those new tasks would put an additional burden on the organization's budget. In that connection, Austria fully supported the Director General's efforts to review all the Agency's programmes for possible savings which could be used for operational activities, within the framework of a zero real growth budget. However, that would not be sufficient to solve the problem in the long term; rather, it would need to be tackled on a political level, possibly by establishing a special fund for Agency activities in the arms control and disarmament field.
- 60. Mr. ZHANG Huazhu (China), addressing the issue of the promotion of the peaceful uses of nuclear energy, welcomed in particular the Agency's efforts to remedy water shortage problems, which had been yielding encouraging progress for ten years, and expressed the hope that those activities would continue. He also paid tribute to the Agency's work on enhancing the safety of nuclear energy and in the verification field. In that connection, he pointed out that China had signed a Protocol additional to its voluntary-offer

safeguards agreement in 1998. He also commended the Director General's efforts to improve and reform internal management and planning in the Secretariat, which should help promote its efficiency.

- 61. Reviewing activities in China in the field of the peaceful uses of nuclear energy, he noted that the Agency had carried out ad hoc inspections at the Shaanxi uranium enrichment plant and added that the Chinese Government was ready to work with the Agency to conclude swiftly the negotiations on the facility attachment for that plant.
- 62. With regard to the role the Agency might play in the twenty-first century, he commended the Director General on having initiated the essential process of review and evaluation by setting up the Senior Expert Group, whose conclusions his delegation fully supported.
- 63. It was important to maintain a balance between the promotion of the peaceful uses of nuclear energy and safeguards. The views of some Member States on the work programme and the distribution of resources, which had resulted in a certain weakening of promotional activities, were entirely understandable. Indeed, the growing tendency in recent years to make the Agency mainly a tool for verification was a cause for concern. Some seemed to regard promotional activities as dispensable. That was not the view of China, which hoped that the Agency would preserve the indispensable complementarity of its statutory functions and would therefore not hamper the development of the peaceful uses of nuclear energy in developing countries in the name of preventing nuclear proliferation. In that connection, he urged all Member States to honour their obligations with regard to technical assistance and, in particular, the TCF. China, for its part, intended to pay its contribution to the Fund in full and on time.
- 64. Turning to the draft Medium Term Strategy, he said that the document did not give due attention to the issue of nuclear power development. Despite the Senior Expert Group's advice, the strategy contained nothing specific about the development of advanced reactors. For various reasons, some regions were in a favourable position as regards nuclear power development. China believed that nuclear power had made a major contribution to reducing greenhouse gas emissions worldwide and that the Agency, as the sole intergovernmental organization in the nuclear energy field, should therefore support the development of that energy source and its applications.
- 65. With regard to neptunium and americium, Chinese experts had attended the meetings on that issue organized by the Secretariat. China did not contest the view that separated neptunium constituted a proliferation risk and should be subject to international monitoring as it could be used to manufacture explosive devices. Conversely, it felt there was no need to devote resources to monitoring of americium, where there was hardly any proliferation risk. Nevertheless, it had taken note of the concerns of other countries and, in a spirit of co-operation, had agreed to report to the Agency its exports of separated neptunium and americium to non-nuclear-weapon States.

- 66. With reference to the nuclear arms control and reduction verification fund, he said that, since the verification of surplus fissile material in the United States and Russia was based on voluntary-offer agreements between the Agency and those countries, the verification activities involved should be funded from the safeguards budget. Whether or not the Agency should take on real verification activities under other international treaties, and cover the necessary related expenses, would be decided during the negotiation of the treaties in question.
- 67. In conclusion, nuclear weapons had not been eliminated with the end of the Cold War. The nuclear disarmament process initiated by the United States and Russia was again at an impasse after achieving limited progress. Some countries had still not joined the CTBT and clung to their nuclear-weapon development plans. Though the universality of the NPT had improved remarkably in recent years, the international community was still faced with serious challenges and should continue to urge countries to take practical measures to ease regional tensions and to accede to the CTBT and the NPT, both in their own interest and for the sake of global peace and security.
- 68. Mr. SERRI (Italy) welcomed Angola and Honduras and endorsed the statement by the delegate of Finland on behalf of the European Union. His Government had always supported the activities of the Agency, which made a remarkable contribution to the economic prosperity of many countries and, through its verification activities, to the establishment of peace in the world. Despite its difficult budgetary situation, Italy had decided once again to make a substantial contribution to the TCF in order to support the Agency's activities.
- 69. Like many other States, Italy regarded the Agency as a model international organization and welcomed the Director General's decision to improve programme delivery through the implementation of an action plan for the internal management of the Secretariat. Italy would pay even greater attention to the recruitment policy in future so as to be sure that developing countries and other under-represented countries were properly represented in the Secretariat, particularly at the senior levels.
- 70. There were a number of areas to which Italy attached particular importance: the new safeguards measures, nuclear power plant safety, the safe management of radioactive waste and spent fuel, the safety of irradiated nuclear fuel, the decommissioning of facilities and the optimum use of spin-offs from nuclear energy in the field of technical co-operation.
- 71. The Agency would be entrusted with challenging new tasks and the Board of Governors would be called upon in the near future to discuss difficult questions such as the reduction of fissile material quantities and nuclear stockpiles and new verification activities that could stem from a cut-off treaty: Italy would support all initiatives taken by the Agency in those areas.
- 72. Every effort had to be made to prevent nuclear science and technology from being misused in ways which could pose a threat to mankind. Italy had worked within the European Union to reach a consensus on the Protocol additional to safeguards agreements, which had been signed in September 1998. He urged countries not belonging to the European Union to

sign similar additional Protocols as soon as possible and he was confident that, in the discussions on the Agency's next two-year budget cycle, the major programme on safeguards would receive the necessary support of Member States to ensure that the effectiveness of the safeguards system was not jeopardized.

- 73. The international community remained concerned about the safety of the former Soviet Union's old nuclear power plants and of nuclear waste disposal, and it was to be hoped that all Member States would provide the necessary technical and financial support to resolve those problems. As had been pointed out by the delegate of Finland, the European Union was providing substantial financial support to the countries of Eastern and Central Europe to enable them to improve their nuclear safety.
- 74. At the national level, Italy had decided in 1990 to close all its nuclear power plants and abandon nuclear power as an energy option, while maintaining its expertise in the nuclear field, mainly with a view to participating in international activities. That policy was reflected by the active and effective participation of Italian organizations in international programmes aimed at enhancing the nuclear safety of reactors in Eastern European countries. In order to continue in that direction, international co–operation, especially with the Agency, was of paramount importance. In that connection, Italy was particularly interested in the Agency's efforts in the field of spent fuel management and the handling, processing, storage and disposal of radioactive waste, especially the idea of establishing multinational waste repositories.
- 75. Lastly, with respect to the issue of amending Article VI of the Statute, he said that Italy remained convinced that any change in the size and composition of the Board of Governors should be evaluated carefully. In 1998, the European Union had joined the consensus on the proposal submitted by the then Chairman of the Board, Mr. Ikeda. That proposal had comprised three elements which were of equal importance, though the criteria for the designation of Board members were particularly necessary to strengthen the Agency's non-proliferation role.
- 76. Mr. HÖGBERG (Sweden), having welcomed Angola and Honduras, associated himself with the statement made by the delegate of Finland on behalf of the European Union. Sweden and its partners would reiterate their call to the international community already made at the United Nations General Assembly to establish a new agenda for nuclear disarmament. The NPT Review Conference in 2000 should provide much-needed impetus for the interrelated objectives of non-proliferation and disarmament.
- 77. The nuclear weapons tests in South Asia in 1998 had been a serious setback to the hopes for a world without nuclear weapons. Urging India and Pakistan once again to renounce their nuclear weapons ambitions, he expressed the hope that those States would soon resume bilateral dialogue and take the measures foreseen in the Lahore Declaration and Security Council resolution 1172 (1998). They and all other States which had not done so should accede to the NPT and the CTBT without delay. As to the five nuclear-weapon States, they should not forget that they had a commitment to work towards nuclear disarmament.

- 78. The strengthened safeguards system was an essential tool for making the international nuclear non–proliferation regime more robust and credible. The development and implementation of that new integrated approach was of the highest priority for Sweden, which provided specific assistance to the Secretariat in that area.
- 79. Sweden felt that the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management should constitute the cornerstones of the international nuclear safety regime and urged all Member States which had not yet done so to accede as soon as possible to those Conventions. The first review meeting under the Convention on Nuclear Safety, held in Vienna in April 1999, had produced very satisfactory results, and the review process had proved to be very constructive, in line with the incentive nature of the Convention. He assumed that the Contracting Parties were now working on any safety improvements that the review process had found necessary.
- 80. The Agency clearly had a very important role to play in the area of nuclear safety and radioactive waste safety; in all its activities associated with the use of nuclear technology by Member States, it should stress that any such use involved a commitment by the State to apply the highest safety levels in accordance with the relevant international conventions and the Agency's safety standards. At the same time, the Agency should continue to develop its review services, focusing on compliance by States with their obligations under the Convention on Nuclear Safety and the Joint Convention. It should also encourage the voluntary use of those services. In that context, Sweden welcomed the Agency's efforts to develop review activities in the area of safety culture and safety management.
- 81. Sweden attached great importance to the Agency's technical co-operation activities and had accordingly pledged its full share of the TCF for 2000. It appreciated the Agency's efforts to co-ordinate its own activities with bilateral co-operation projects in areas of mutual interest such as nuclear safety, radiation protection and national systems of nuclear material accounting and control. He noted in particular that the Agency was endeavouring to harmonize its technical co-operation activities with those of other Partners in Development, taking into account the national priorities and plans of recipient countries. He looked forward to learning more about the results achieved with the Country Programme Frameworks and Thematic Plans.
- 82. <u>Mr. YAKIS</u> (Turkey) welcomed Angola and Honduras and thanked the Member States that had provided moral and material support to his country following the recent earthquake.
- 83. The previous year had been a very successful one for the Agency. That highly regarded organization had made commendable efforts to implement decisions and resolutions which had been adopted in the crucial area of radiation safety. The problems posed by the disposal of radioactive waste made the public unwilling to accept nuclear power. The Agency's work to select suitable sites and develop safe techniques for radioactive waste disposal would make a valuable contribution to the development of nuclear energy in the twenty-first century.

- 84. At the previous session of the General Conference, his delegation had expressed a wish to see a continuation of the waste disposal facility demonstration programmes at the Çekmece Nuclear Research and Training Center in Istanbul, and the third demonstration had indeed taken place in June 1999.
- 85. A number of accidents involving orphan sources had occurred during recent years, including one in Turkey in January 1999. Fortunately, there had been no loss of life and all the victims had recovered. Turkey was grateful for the Agency's prompt intervention and the medical and technical support it had provided. Moreover, the Turkish licensing authority, aware of the gaps in the implementation of the existing regulations, had taken serious measures to monitor radiation sources closely. In that context, he believed that the action plan proposed by the Agency in that area would be an effective way of addressing the hazards posed by orphan sources and accordingly hoped that the General Conference would endorse it.
- 86. The transport of radioactive and nuclear material was also a very important issue, given the right of all human beings to live in a healthy environment. He was pleased to see that action had been taken in response to resolution GC(42)/RES/13, which had been co-sponsored by Turkey and adopted by consensus at the Conference's previous session. The Agency had already set up a Transport Safety Appraisal Service which had started to function effectively but would need the General Conference's support. A new draft resolution had therefore been submitted to the present session with a view to encouraging Member States to make extensive use of that service. He hoped the draft resolution would attract broad support.
- 87. At the first review meeting of the Contracting Parties to the Convention on Nuclear Safety, held in April 1999, Turkey had described the status of the Akkuyu nuclear power plant and had received detailed information on the safety of nuclear facilities in neighbouring countries.
- 88. Technical co-operation was the Agency's most effective tool for assisting Member States in the development of the peaceful uses of nuclear energy. In the evaluation of projects for that purpose, not only financial criteria, but also qualitative aspects should be taken into consideration. Despite the severe burden imposed by the recent earthquake, Turkey had pledged to pay its full share of the TCF target for 2000, amounting to \$317 550.
- 89. Another crucial question was the increase in global energy demand and the role nuclear power could play in that area. In the next century, nuclear and hydroelectric power would be the two most viable energy sources, producing the least greenhouse gases. The Agency's efforts to develop small and medium-sized reactors should be supported since such reactors would be very useful for developing countries with small-scale grids, as well as contributing to the Clean Development Mechanism.
- 90. In 1998, Turkey had actively participated in the implementation of the regional Model Project on the Black Sea. The Agency had provided financial and technical support to the parties involved, which had led to the signing of the Black Sea Declaration by the coastal

countries. That project should serve as an example to other regional marine environment initiatives.

- 91. Illicit trafficking in nuclear materials constituted a serious threat to human health and could run counter to the Agency's non-proliferation objectives. Owing to the international scale of the problem, measures taken at national level would not be enough. He regretted that Member States had not endeavoured to find a joint solution by means of a binding international instrument. Although the average number of incidents appeared to have been declining during the past few years, the number some 30 per year was still too high in the view of his Government, which had taken various measures to control illicit trafficking: it had set up a national database for such incidents, had improved existing regulations and physical protection systems at facilities, was training its police and customs personnel, had introduced new articles in the criminal code and, lastly, was preparing to establish a remote low-level radiation detection system at customs posts and the Turkish Straits.
- 92. Turkey had always endorsed the noble principles of the non-proliferation and nuclear disarmament regime established by the NPT and supported the idea of increasing the effectiveness and efficiency of the Agency's safeguards system. Accordingly, the Turkish authorities had initiated discussions with the Secretariat aimed at early signature of an Additional Protocol.
- 93. Mr. ADAM (Belgium), having associated himself with the statement made by the representative of Finland on behalf of the European Union, said that he would only raise some points of specific interest to his country.
- 94. Belgium hoped that the next NPT Review Conference would, despite rather disappointing preparations, provide tangible results. The Agency played a key role in the area of non-proliferation and was very active in the area of nuclear disarmament. There was no doubt that, when the time came, the Agency would be fully capable of working out the verification mechanisms that would be needed for a cut-off treaty banning the production of fissile material for military purposes. It would also be called upon to verify that the fissile material declared by the United States and Russia as surplus to defence requirements remained outside military programmes. Furthermore, under voluntary-offer arrangements, the Agency was already applying safeguards to plutonium and highly enriched uranium from the nuclear weapons programmes of certain States. He hoped all the nuclear-weapon States would soon begin the gradual dismantling of their nuclear arsenals and bow to the same constraints.
- 95. The Agency was constantly extending its ability to act in the area of non-proliferation. The programme for the strengthening of safeguards was continuing and 41 States had already signed Additional Protocols. Furthermore, the risks of proliferation from neptunium and americium, albeit small, had also been taken into account, and the Board of Governors had recently decided on the monitoring regime to be applied to those materials.
- 96. Some States, however, continued to disregard international non-proliferation arrangements, thus compromising peace and security as well as the development of the

peaceful uses of nuclear energy in their countries and hence their own economic and social development. Worrying as it might be, though, that situation could not justify the introduction of new measures to control the peaceful nuclear activities of Member States; the Agency now had all the means necessary to carry out its task under the NPT. It would be wiser to attempt to rationalize the Agency's non-proliferation activities so as to make the most of the available resources. That indeed was the direction the Director General was taking in working towards an integrated safeguards system.

- 97. The integrated safeguards system of the future would complement the former quantitative approach with a qualitative one based on the analysis of information concerning the nuclear activities of States. However, the integrated system should not result in the dismantling of the former system, which remained the cornerstone of Agency safeguards, or in the systematic implementation of all the measures provided for by the Additional Protocol; complementary access in particular, whose objectives and modalities were defined by the Protocol, should not become just another control measure. Analysis of the information provided by States under the Additional Protocol as well as the possible implementation of relevant complementary measures would enable the Agency to obtain additional assurances about the nuclear profile of States and should enable routine inspections to be reduced. Part I of Programme 93+2 and the Additional Protocol had been developed with a view to strengthening the effectiveness and efficiency of the safeguards system. However, a strengthened safeguards system was not just additional controls, but a mechanism concentrating resources on what was really necessary and eliminating duplication. Belgium was looking forward to the new proposals from the Secretariat in that regard.
- 98. The first review meeting under the Convention on Nuclear Safety in 1999 had been very productive and had enabled States to engage in a frank and direct dialogue conducive to the development of a safety culture in an atmosphere of consensus. Nevertheless, he was more convinced than ever that the peer review process, even if applicable to issues such as safety, would not be suitable for other areas such as the security of nuclear materials.
- 99. The International Conference on the Strengthening of Nuclear Safety in Eastern Europe organized by the Agency in June 1999 had provided an opportunity to evaluate the results of bilateral assistance efforts and the Agency's extrabudgetary programme on the safety of RBMK and WWER reactors: considerable progress had been made, but there was still much to be done. For its part, Belgium was continuing to provide assistance to the competent authorities in Central and Eastern European countries and to support activities aimed at improving the safety of nuclear installations there, either bilaterally or within the framework of the European programmes PHARE and TACIS. In the nuclear safety area, Belgian specialists were paying particular attention to the management of spent fuel and radioactive waste. Belgium was focusing its bilateral programme on those issues and was participating in the contact group for international co-operation with the Russian Federation in order to help that country ensure the safe management of its radioactive waste.
- 100. He was pleased to note that the Agency was looking into the problem of orphan sources, which could present a serious danger to the environment and public health, particularly in developing countries where the means to manage those sources were lacking. He also

thanked the Agency for the efficiency with which the INSARR mission had been carried out at the BR2 research reactor at the Mol Nuclear Energy Research Centre.

- 101. In 1998, all Belgium's nuclear power plants had been shut down for maintenance and refuelling. Tihange Unit 3 had been shut down for 77 days so that the three steam generators could be replaced. It should be noted that Belgium's energy policy had changed substantially since the previous session of the General Conference: the Parliament had passed a law on the organization of the electricity market to take account of the European directive on the subject. The law provided inter alia for the development of an indicative 10-year electricity generating programme which would be updated every three years. A committee of experts had been established for that purpose which had also been requested to examine the general energy situation and economic context as well as the electricity demand in Belgium, to review all technologies for producing electricity including nuclear power, and to submit a report to Parliament in spring 2000. Moreover, the Government had announced that it was ready to move away gradually from the nuclear option, taking due account of the recommendations of the Rio Conference on Environment and Development and of the carbon dioxide emission targets established by the Kyoto Protocol. Since the development of new and clean sources of renewable energy on a commercial scale would take time, the scenario chosen provided for the closure of nuclear power plants when they were 40 years old. In the meantime, studies on the feasibility and implementation of that scenario would have been carried out in co-operation with a committee of experts. Finally, the Belgian authorities were interested in the recycling of plutonium from the partial dismantling of nuclear arsenals as MOX fuel, and a Belgian company was part of an international consortium with the task of developing a programme for the fabrication of such fuel in the United States; Belgium would also be participating in a tripartite project involving Germany, France and the Russian Federation to establish a MOX production plant in Russia.
- 102. Over the past year, the question of the fuel cycle had been left pending while different options were considered. Since the termination of the current reprocessing contract at the end of 1998, any new contract for fuel reprocessing was subject to Government approval; moreover, the Government had decided to maintain the moratorium on the reprocessing of spent fuel, though it could be stored temporarily on the sites of Belgian power plants with relative ease. With regard to low-level and short-lived radioactive waste, the Government had opted for a progressive and reversible solution, and studies would be carried out to decide whether to dispose of such waste on the surface or in geological formations, and to explore the areas and sites that might be selected. Medium- and high-level and long-lived waste would be the subject of an extensive programme, the main elements of which were the preparation of an interim report on safety and feasibility, the extension of the existing underground laboratory by constructing a tunnel to demonstrate the feasibility of disposal in geological formations and, finally, the study of a hybrid system that could contribute to the work undertaken at the international level on the feasibility of transmutation of actinides and long-lived fission products.
- 103. <u>Mr. BENAVIDES</u> (European Commission) endorsed the statement made by the representative of Finland on behalf of the European Union, particularly the hope that the next NPT Review Conference would be a success.

104. The process of enlarging the European Union was continuing and negotiations had begun in March 1998 with several candidate countries. Of course, the nuclear energy sector was an important topic in those negotiations and those candidate countries with nuclear power plants would have to make firm commitments in the area of nuclear safety: they were already making remarkable efforts to bring their legislation and practices in the area of radiation protection, nuclear safety and radioactive waste management into line with those of the European Union. Furthermore, at its recent meeting in Cologne, the European Council had emphasized the importance it attached to the application of high safety standards in Central and Eastern Europe. The European Union was committed to co-operating with those countries to help them not only improve their situation in that area in the medium and long term, but also to diversify their sources of energy and enhance their energy efficiency.

105. Turning to safeguards, he said there were two aspects of particular importance for the European Union: firstly, the application by EURATOM, in partnership with the Agency, of safeguards on nuclear material in the European Union, and secondly, the progress made towards strengthening the Agency's safeguards system with a view to achieving an integrated system. The New Partnership Approach developed to facilitate the application of safeguards in the European Union enabled the Agency and EURATOM to carry out their tasks in a much more effective and efficient manner. The ratification of the three Additional Protocols signed at the forty-second session of the General Conference was in progress in each of the EURATOM Member States concerned, and the Protocols should enter into force before the 2000 NPT Review Conference. Steps were already being taken for the full implementation of those Protocols. The European Commission was convinced that an integrated safeguards system would enable the Agency to move away from safeguards applied mechanically in States on the basis of previously established criteria, and to devolve more of its responsibilities to a regional system.

106. The Commission played a direct role in the supply of nuclear fuels through the conclusion of contracts by the EURATOM Supply Agency and the implementation of a common supply policy. While the gap between natural uranium production and consumption in the West had not narrowed, supply and demand had reached an equilibrium over recent years as a result of imports from the Newly Independent States and the use of stocks held by utilities, governments and suppliers. The Commission, being responsible for the long-term security of supply for EURATOM Member States, was monitoring the markets closely to ensure diversification of sources of supply.

107. The European Commission had been engaged for a long time in protecting man and the environment against the risks of ionizing radiation and was therefore particularly keen to develop a safety culture throughout Europe. With that objective in mind, the Council had decided in December 1998 that EURATOM should ratify the Convention on Nuclear Safety; thus the European Atomic Energy Community itself, as well as all its Member States, would be bound by the requirements of that Convention. Moreover, nuclear safety being an important issue also in the context of enlargement of the Union, the Council had decided on 7 December 1998 that further methods should be developed to ensure a high level of nuclear safety in the candidate countries. The Commission was currently developing ways of

achieving that objective and was also working on the safety issue in a broader context, for example in the framework of the G-7 and G-24.

108. In the area of radioactive waste management, an assessment of EURATOM's practice had been undertaken and the scope for further improvement and harmonization of its activities was being explored. In addition, the Commission was working in close cooperation with the Agency, WANO and the ISTC on a specific project to carry out an independent assessment of the situation with regard to the Y2K problem in designated power plants in Russia and Ukraine.

109. No major incident associated with illicit trafficking in nuclear material had occurred in the European Union the previous year. Although a downward trend had been observed over the past three years, complacency should be avoided, and the Commission continued to participate actively in the work of dedicated groups established by the Agency, the G-8 or sectorial associations so as to be able to respond appropriately to possible cases of trafficking. The Commission continued to support and implement co-operation projects in the area of nuclear material accounting and control with countries of the former Soviet Union. In that connection, the question of orphan sources was an important one, and the action plan being developed by the Agency with a view to improving the safety of radiation sources and the security of radioactive material would be very useful.

110. EURATOM's fifth Framework Programme (1998-2002) on research and training in the area of nuclear energy had been launched at the end of 1998. It was centred around two key areas - nuclear fusion and nuclear fission - and supported generic research in radiology. Its long-term objective was to exploit the full potential of nuclear energy, both fusion and fission, in a sustainable manner, by making current technologies even safer and more economical, and by exploring promising new approaches. The generic research in radiology would make it possible to gain a better understanding of the effects of radiation on human health and to improve the quantification of risk at low doses and low dose rates. The first contracts under the fifth Framework Programme should be awarded at the end of 1999. Furthermore, the EURATOM Joint Research Centre was playing a very important R&D role in areas such as reactor safety, safeguards, fissile materials management, safety of nuclear fuels and actinides, and nuclear waste management. The Centre was also contributing to the Agency's work by supporting the Russian Federation's efforts to improve nuclear material accounting and control, having participated in the establishment of a safeguards methodological and training centre in Obninsk.

111. EURATOM was also an active player on the international nuclear field. The negotiations begun with Japan at the beginning of 1999 on a co-operation agreement in the area of the peaceful uses of nuclear energy were continuing. In July 1999, the European Commission had signed two co-operation agreements in the areas of nuclear safety and nuclear fusion with Ukraine, as well as a co-operation agreement in the field of nuclear safety with Kazakhstan; negotiations were almost complete on the signing of an agreement on nuclear fusion with Kazakhstan, as well as on an agreement on safety and fusion with the Russian Federation. In addition, in the spring of 1999, the Council of Ministers of the European Union had adopted directives for the conclusion of a co-operation agreement

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between EURATOM and Ukraine on the peaceful uses of nuclear energy. Finally, EURATOM, as a member of the Executive Board of the Korean Peninsula Energy Development Organization with a pledge to contribute 75 million euros over a five-year period up to the end of 2000, was playing an active role within that organization with a view to achieving stability, reconciliation and non-proliferation on the Korean Peninsula.

112. In conclusion, he emphasized the close co-operation that existed between the Agency and the European Commission, which welcomed that partnership and hoped to see it intensify.

The meeting rose at 6 p.m.