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Fiftieth (2006) Regular Session

Plenary

Record of the First Meeting

Held at the Austria Center, Vienna, on Monday, 18 September 2006, at 9.45 a.m.

Temporary President: Mr. BAZOBERRY (Bolivia)
President: Mr. MINTY (South Africa)

Contents

The composition of delegations attending the session is given in document GC(50)/INF/8/Rev.1.

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Abbreviations used in this record:

Assistance Convention	Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency
CPF	Country Programme Framework
CPPNM	Convention on the Physical Protection of Nuclear Material
CTBT	Comprehensive Nuclear-Test-Ban Treaty
DPRK	Democratic People's Republic of Korea
Early Notification Convention	Convention on Early Notification of a Nuclear Accident
EFTA	European Free Trade Association
EU-3	France, Germany and the United Kingdom
FMCT	fissile material cut-off treaty
GIF	Generation IV International Forum
HEU	high-enriched uranium
ICAO	International Civil Aviation Organization
INPRO	International Project on Innovative Nuclear Reactors and Fuel Cycles
INSSP	Integrated Nuclear Security Support Plan
IRRS	Integrated Regulatory Review Service
ITER	International Thermonuclear Experimental Reactor
Joint Convention	Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management
LEU	low-enriched uranium
LWR	light-water reactor
NAM	Non-Aligned Movement
NPCs	national participation costs
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NSF	Nuclear Security Fund
NSG	Nuclear Suppliers Group
OECD	Organisation for Economic Cooperation and Development
PACT	Programme of Action for Cancer Therapy
SIT	sterile insect technique
SSAC	State system of accounting for and control of nuclear material

Abbreviations used in this record (continued)**:**

TCF	Technical Cooperation Fund
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean
TranSAS	Transport Safety Appraisal Service
UNDAF	United Nations Development Assistance Framework
UNICEF	United Nations Children's Fund
WENRA	Western European Nuclear Regulators' Association
WHO	World Health Organization
WMD	weapons of mass destruction
WTO	World Trade Organization

– Opening of the session

1. The TEMPORARY PRESIDENT declared open the 50th regular session of the General Conference.

The meeting began with a short performance by the Men's Choir of the Moscow Engineering and Physics Institute on the occasion of the opening of the 50th session of the General Conference. The performance was at the invitation of the Director General and with the support of the Russian Federal Atomic Energy Agency.

2. The TEMPORARY PRESIDENT thanked the Men's Choir of the Moscow Engineering and Physics Institute.

3. In accordance with Rule 48 of the Rules of Procedure of the General Conference, he invited delegates to observe one minute of silence dedicated to prayer or meditation.

All present rose and stood in silence for one minute.

4. The TEMPORARY PRESIDENT said that the General Conference was taking place at an auspicious time in the Agency's history: the Agency was celebrating its fiftieth anniversary, and the Agency and its Director General, Mohamed ElBaradei, had been awarded the Nobel Peace Prize for 2005 for their efforts to prevent nuclear energy from being used for military purposes and to ensure that nuclear energy for peaceful purposes was used in the safest possible way. The Noble Prize had underscored the value and the relevance of the Agency's work.

5. Since the bombing of Hiroshima and Nagasaki, when in one second tens of thousands of people had been killed, humanity had had to face the question of what use to make of the capacities of the atom. The international community had sought to create zones free from nuclear weapons, Latin America being the first region to do so, an achievement for which Alfonso García Robles, who had conceived the idea of a nuclear-weapon-free zone in Latin America, had been awarded the Nobel Peace Prize in 1982.

6. The award of the 2005 Nobel Peace Prize was in recognition of the important work of Agency staff as a whole and that of the Director General, who had demonstrated statesmanship, fairness and impartiality in dealing with the many difficult topics on the international agenda, not only in the area of security and verification, but also with regard to the Millennium Development Goals and the reduction of poverty.

1. Election of officers and appointment of the General Committee

7. The TEMPORARY PRESIDENT invited nominations for the office of President of the Conference.

8. Mr. ZNIBER (Morocco), speaking on behalf of the African Group, proposed Mr. Minty (South Africa).

9. Mr. Minty (South Africa) was elected President by acclamation.

10. The TEMPORARY PRESIDENT congratulated Mr. Minty on his election and wished him every success in his task.

Mr. Minty (South Africa) took the Chair.

11. The PRESIDENT, thanking delegations for the confidence they had placed in him by supporting his nomination as President, and expressing in particular his appreciation to his fellow Africans for nominating South Africa, commended his predecessor Ambassador Bazoberry of Bolivia for steering the previous session of the General Conference to a successful conclusion.

12. Africa had not only benefited from the peaceful application of nuclear energy, but had also greatly contributed to shaping the Agency's development and the practical application of nuclear energy for peaceful purposes. The Agency and the Director General, himself a son of Africa and a distinguished international servant, had been honoured by the receipt of the Nobel Peace Prize in 2005.

13. The continued contribution of nuclear energy depended on the safe and secure use of nuclear technologies. Accordingly, the Agency should continue its work on establishing nuclear safety and security standards and facilitating their application worldwide to avoid incidents that might have serious consequences for the future of nuclear power.

14. The Agency's verification activities had figured prominently in the public eye over the previous year. Those activities had been guided by the principles of objectivity and impartiality and by high standards of professionalism. The Agency had responded to the challenges encountered, upholding the authority and integrity of the multilateral nuclear non-proliferation regime, and the world had come to look upon it as a guarantor of peace and safety in the nuclear field.

15. During the current session, the Agency was hosting a special event entitled ‘New Framework for the Utilization of Nuclear Energy in the Twenty-First Century: Assurances of Supply and Non-Proliferation’. It was opportune that the special event was dealing with a subject that was central to the Nobel citation and that touched on all three pillars of the Agency's activities.

16. He recalled that, pursuant to Rules 34 and 40 of the Rules of Procedure, the Conference normally elected eight Vice-Presidents, the Chairman of the Committee of the Whole and five additional members of the General Committee — resulting in a General Committee of 15 members. However, since in the current year the Chairman of the Committee of the Whole was from the South East Asia and the Pacific Group, which customarily had only one representative on the General Committee, it would be necessary to suspend Rules 34 and 40 in order to have seven Vice-Presidents and six additional members in a Committee of 15. He understood that there was full agreement among the area groups.

17. He proposed that the delegates of Belgium, Bolivia, Canada, Egypt, the Islamic Republic of Iran, the Republic of Korea and the Russian Federation be elected as Vice-Presidents; that Mr. Shannon (Australia) be elected as Chairman of the Committee of the Whole; and that the delegates of Cyprus, France, Poland, the Syrian Arab Republic, the United States of America and Venezuela be elected as additional members of the General Committee.

18. The President’s proposals were accepted.

19. The PRESIDENT further proposed that the General Conference deal with items 5, 4, 3, 2 and 7 in that order, pending receipt of the General Committee’s recommendation on the provisional agenda.

20. The President’s proposal was accepted.

5. Statement by the Director General

21. The DIRECTOR GENERAL said that, for the sake of brevity, he would read excerpts from his statement. The full text would be made available.

22. Anniversaries were a time for reflection and renewal. There was much to be learned by looking back on the 50-year history of Atoms for Peace in its many applications — from the days of the first power reactor operations, safeguards inspections, safety guidance and transfer of nuclear technology, all the way to the Agency's programme today.

23. In celebrating its 50th anniversary, the Agency's goal was to broaden awareness of the scope of its mission and activities — its contributions to development, nuclear safety and security, and nuclear non-proliferation — and to provide forums to review the challenges and opportunities that lay ahead.

24. Recently there had been rising expectations regarding the role of nuclear power. The rapid growth in global energy demand was putting a premium on all energy sources. Climate change concerns had highlighted the advantages of nuclear power in terms of its minimal greenhouse gas emissions. The sustained nuclear safety and productivity record over the past twenty years had made nuclear operating costs relatively low and stable.

25. To date, the use of nuclear power had been concentrated in industrialized countries. In terms of new construction, however, the pattern was different. Of the 28 new reactors under construction, 16 were in developing countries. While the highest percentage of existing reactors was in North America and Western Europe, recent expansion had been concentrated in Asia and Eastern Europe.

26. China, India and the Russian Federation currently had the most ambitious plans for near-term nuclear expansion. Finland was building a new reactor, and France also planned to begin construction of a new reactor in 2007. Those were the first new nuclear plants to be constructed in Western Europe since 1991. South Africa also intended to start construction in 2007 of a small modular reactor. The previous month, Argentina had decided to restart construction of its third nuclear plant. In the United States of America, energy companies and consortia had announced plans to submit applications for construction and operating licences for at least 15 new reactors over the following two years.

27. Speaking before the forty-ninth regular session of the General Conference, he had expressed his belief that the Agency should focus more explicitly on 'energy for development' — since without energy there could be no development. The energy shortage in developing countries was a staggering impediment to development and to efforts to eradicate poverty. To lend perspective: the countries of the OECD, on average, consumed electricity at a rate roughly 100 times that of the world's least developed countries.

28. In that regard, he had been pleased that the expanded G8 Summit in St. Petersburg in the summer had emphasized the importance of 'global energy security', a concept which, as he had stressed during his participation at the summit, meant fulfilling the energy needs of all countries.

29. The current global organization of energy resource management and distribution was fragmented — in terms of both geographical coverage and the types of energy resources managed. Global structures for setting norms, oversight and monitoring existed in many other key sectors — such as WTO, ICAO or the Bretton Woods institutions overseeing finance. However, no similar global structure currently existed for energy overall.

30. As a sophisticated technology, nuclear power required a correspondingly sophisticated infrastructure. For new countries considering nuclear power, it was essential to ensure that the necessary infrastructure was available. That included many components, from industrial infrastructure

such as manufacturing facilities, to the legal and regulatory framework, to the institutional measures to ensure safety and security, and to the necessary human and financial resources. The Agency had recently published guidance on the infrastructure needed for countries to introduce nuclear power.

31. Technological and institutional innovation was a key factor in ensuring the long-term sustainability of nuclear power. The Agency's International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO) had grown to include 27 members. In Phase I, a methodology for the evaluation of innovative nuclear systems had been developed. The INPRO Steering Committee had recently decided to begin Phase II, which would focus on issues including innovative approaches to infrastructure and institutional development for countries beginning nuclear power programmes, as well as on the development of collaborative projects.

32. Much of the Agency's scientific work was focused on the transfer of peaceful nuclear technology in applications related to health, agriculture, industry, water management and preservation of the environment. The Agency was working to build up Member States' scientific and technical capacities in a manner that supported their national development priorities. Those efforts were making meaningful contributions to social and economic development. He offered a few examples:

33. Following the announcement of the 2005 Nobel Peace Prize to the Agency, the Board of Governors had chosen to use the award money to set up the IAEA Nobel Cancer and Nutrition Fund. In the area of nutrition, the Agency assisted countries in using stable isotopes as tracers in the body to develop and evaluate the effectiveness of interventional nutrition strategies. Three regional nutrition courses had been scheduled and the Agency had strengthened its collaboration with WHO and UNICEF on nutrition activities.

34. For many years, radiotherapy had been used to cure or mitigate the effects of cancer. The Agency's Programme of Action for Cancer Therapy (PACT) was working to integrate radiotherapy into the broader framework of cancer prevention and control. Over the past year, relationships had been built with the leading organizations in the field. Collaborative efforts were now underway to create model demonstration sites for cancer control in Albania, Nicaragua, Sri Lanka, the United Republic of Tanzania, Vietnam and Yemen. Those sites would be used to attract additional donors, by raising the profile of cancer as a global health concern.

35. Under a regional technical cooperation project, countries throughout Central America had used the SIT as part of an environmentally friendly programme for fruit fly control. In addition to reducing insecticide use, the result in many cases was far greater capacity to produce and export fruits and vegetables. Nicaragua, for example, had been able earlier in the year to initiate commercial shipments of bell peppers to the United States' market, and Guatemala was expected to do so later in the year.

36. Mutation breeding of plants was another nuclear technique to improve crop productivity. Recent success had been achieved in Ghana, where some 200 million cocoa trees had been destroyed in the previous 50 years by the cocoa swollen shoot virus. Over the past decade, the Agency had worked with the Ghana Atomic Energy Authority to develop cocoa lines with strong resistance to that virus. A new variety of cocoa was now growing on 25 farms across Ghana with no evidence of a resurgence of the disease. If produced on a larger scale, the new variety could benefit cocoa production not only in Ghana, but also in a number of neighbouring countries.

37. The safety and security of nuclear activities around the globe remained key elements of the Agency's mandate. Two decades after the Chernobyl accident, it was clear that the efforts to build a global nuclear safety regime were paying off. Operational safety performance at nuclear power plants remained strong. Occupational radiation protection indicators had once again showed improvement over the past year. More Member States were taking a proactive role in radiation source safety. The

Agency was continuing to make strides in strengthening physical protection at nuclear facilities and enhancing the security of nuclear material and radioactive sources worldwide.

38. However nuclear safety was not an issue that could ever be regarded as 'fixed'. While the strong, steady safety performance of recent years was reassuring, the sporadic recurrence of events of concern made clear that the promotion of a strong safety culture — for both operators and regulators — should always be viewed as 'work in progress'.

39. With the adoption of the Safety Fundamentals by the Board of Governors the previous week, all the actions provided for in the March 2004 Action Plan for the Development and Application of IAEA Safety Standards were nearing completion. The transition to a new safety standard structure had made good progress in all areas. Recent reports by many countries and by organizations such as WENRA confirmed the wider use of Agency Safety Standards, both as a benchmark for harmonization and as a basis for national regulations.

40. The Agency's safety review services used the Agency Safety Standards as a reference point, and played an important part in evaluating their effectiveness. In 2006, the Agency had begun offering, for the first time, an Integrated Regulatory Review Service (IRRS). That new service combined a number of previous services, on topics ranging from nuclear safety and radiation safety to emergency preparedness and nuclear security. The IRRS approach considered international regulatory issues and trends, and provided a balance between technical and policy discussions among senior regulators to harmonize regulatory approaches and create mutual learning opportunities among regulators. All countries should take advantage of that service, and he stressed that that transparency and introspection were essential ingredients of an effective nuclear safety culture.

41. Over the previous three years, the number of Member States participating in Agency projects related to the radiological protection of patients had increased more than threefold, from 21 to a current total of 78 States. The Agency was continuing its efforts to promote better safety performance in that area, including through improving access to related training. In some Member States, professional societies were taking the lead in organizing radiation protection training. The Agency had also recently introduced a website that would provide essential information on the topic to health professionals as well as to patients.

42. The Agency's nuclear security programme continued to progress at a rapid pace. The Agency faced a challenge in helping Member States to implement the enhanced regime of international legal instruments relevant to nuclear security. In cooperation with Member States, guidance based on international best practices was being published by the Agency as part of a new nuclear security series.

43. Over the previous year, over 30 evaluation missions related to nuclear and radiological security had been carried out — in some cases including a combined emphasis on relevant safety aspects. The results of those missions helped to identify the needs of States and had provided valuable inputs for he development of Integrated Nuclear Security Support Plans (INSSPs) for individual countries. To date, dozens of INSSPs had been drafted and were in various stages of development and implementation.

44. Ninety-three States were now participating in the Agency's Illicit Trafficking Database. Analysis of the database was providing insight into trends, risks, and trafficking methods and routes. The number of incidents — more than 100 per year for the past three years — demonstrated a persistent problem with trafficking, thefts, losses and other unauthorized activities involving nuclear or radioactive material. The number of incidents involving detection of materials at borders had increased substantially in recent years, clearly due, in part, to the increased deployment by States of detection and monitoring equipment.

45. Over 90% of the funding for implementation of the Nuclear Security Plan continued to be provided through extrabudgetary contributions to the Nuclear Security Fund, and sustained adequate funding for the 2006–2009 Nuclear Security Plan was not yet assured by any means.

46. The nuclear non-proliferation and arms control regime continued to face a broad set of challenges, and the past few years had underscored the Agency's important role in preventing proliferation. The number of States with safeguards agreements and additional protocols had steadily increased. Since the session of the General Conference in 2005, NPT safeguards agreements had entered into force for six States. Additional protocols had entered into force for nine States, making a total of 78 States with additional protocols in force. However, over 100 States — including 25 with significant nuclear activities — had yet to bring additional protocols into force.

47. Moreover, 36 non-nuclear-weapon States party to the NPT had not even fulfilled their legal obligation to bring comprehensive safeguards agreements with the Agency into force. The Agency naturally could not draw any safeguards conclusions for those States.

48. Since the end of December 2002, when Agency verification activities had been terminated at the request of the DPRK, the Agency had been unable to draw any conclusions regarding the DPRK's nuclear activities. He continued to believe in the importance and urgency of finding a negotiated solution to the current situation. The Agency stood ready to work with the DPRK, and with all others, towards a solution that addressed the needs of the international community to ensure that all nuclear activities in the DPRK were exclusively for peaceful purposes, while addressing the security and other needs of the DPRK.

49. The implementation of the NPT safeguards agreement in the Islamic Republic of Iran had been on the Board's agenda for more than three years, and lately also on the agenda of the United Nations Security Council. On 31 July 2006, the Security Council had adopted resolution 1696, in which it called upon Iran to take the steps required by the Board in its resolution of 4 February 2006. Those steps had included the necessity of the Agency continuing its work to clarify all outstanding issues relating to Iran's nuclear programme, and the re-establishment by Iran of full and sustained suspension of all its enrichment-related and reprocessing activities. In his report of 31 August to the Board and to the Security Council, regarding Iran's fulfilment of the requirements of that resolution, he had stated that Iran had not suspended its enrichment-related activities, nor had the Agency been able to make progress on resolving the outstanding issues, due to the absence of the necessary transparency on the part of Iran.

50. In addition to the Agency's current verification activities in Iran, he remained hopeful that, through the ongoing dialogue between Iran and its European and other partners, the conditions would be created to engage in a long overdue negotiation aiming to achieve a comprehensive settlement that, on the one hand, would address the international community's concerns about the peaceful nature of Iran's nuclear programme, while on the other addressing Iran's economic, political and security concerns.

51. He had continued consultations with the States of the Middle East region on the application of full-scope safeguards to all nuclear activities in the Middle East, and on the development of model agreements as a necessary step towards the establishment of a Middle East nuclear-weapon-free zone. However, he regretted that, as in previous years, no progress had been made on either front.

52. For fifty years, technical cooperation had been a principal mechanism for implementing the Agency's basic mission of Atoms for Peace. However, over that time, the relationship between Member States and the Secretariat had evolved. Many Member State institutions now had capabilities equal to or exceeding those of the Secretariat. As a result, experience gained in one Member State was often called upon by another Member State through a variety of mechanisms.

53. For example, Ghana had joined the Agency in 1960. Over the intervening years, Ghana's technical cooperation programme had covered topics ranging from isotope hydrology and industrial applications of nuclear technology to nuclear medicine and radiotherapy. As Ghana's technical institutions and capabilities had grown, they had provided more than 80 international experts to support technical cooperation projects in Africa and other regions. They had hosted some 30 fellows and scientific visitors, and more than 25 training events. Recently, the Agency had supported the opening of the School of Nuclear and Allied Sciences at the University of Ghana in Accra, a new regional training resource that the Government intended to use not only to train local specialists, but also to make available to engineers and scientists from neighbouring countries and the region.

54. Brazil had joined the Agency in 1957. Its technical cooperation programme had reflected the Government's interest in establishing strong nuclear engineering and technology institutes, with a particular focus on the use of nuclear medicine and radiotherapy to improve health services. Brazil had become the largest resource country for the technical cooperation programme in the Latin American region. It had provided over 800 international experts, hosted over 1300 fellows and scientific visitors, as well as some 65 training events. Brazil's National Nuclear Energy Commission managed four national nuclear research institutes and was currently inaugurating a fifth in the north of the country.

55. Those Member States, and many others, were the best demonstration of the success of the Agency's technical cooperation programme. Properly harnessed, the programme promoted sustainable growth and human security.

56. Looking to the future, it was clear that a number of related challenges were to be faced. The increase in global energy demand was driving a potential expansion in the use of nuclear energy, while concern was clearly mounting regarding the proliferation risks created by the further spread of sensitive nuclear technology, such as uranium enrichment and plutonium reprocessing. There was clearly a need for the development of a new framework for the nuclear fuel cycle. The establishment of a framework that was equitable and accessible to all users of nuclear energy acting in accordance with agreed nuclear non-proliferation norms would certainly be a complex endeavour, and in his view best addressed through a series of progressive phases. The first phase would establish mechanisms for assurances of supply of fuel for nuclear power plants; the second would develop, as needed, assurances regarding the acquisition of nuclear power reactors; and the third would facilitate the conversion of existing enrichment and reprocessing facilities from national to multilateral operations, and would encourage limiting future enrichment and reprocessing to multilateral operations.

57. A broad range of ideas, studies and proposals had been put forward on the topic. He hoped that the discussions during the special event that week would enable the Agency to develop a roadmap for moving forward, in close consultation and with the active involvement of Member States.

58. Wherever one turned in today's world, it was evident that the intertwined issues of security and development continued to be the most daunting challenges facing humanity. It was becoming more evident that the Agency had an important role to play in both fields. With the approach of the 50th anniversary of the Agency, there was no better introduction to the time of reflection and renewal — nor any greater honour — than the award of the 2005 Nobel Peace Prize. However, with recognition and achievement came also the responsibility to maintain and strengthen the commitment to the mission with which the Agency had been entrusted.

4. Message from the Secretary-General of the United Nations

59. Mr. ANNAN (United Nations Secretary-General) gave the following videotaped message:

"For the past 50 years, the IAEA has carried out its mandate with professionalism and dignity. It has advanced the peaceful uses of nuclear energy and promoted economic development. It as contributed to technical progress in the fields of medicine and agriculture. It has strengthened its safeguards system, and that system has now been accepted by more than 100 States.

"Last year, the Nobel Peace Prize came as richly deserved recognition of the achievements of the IAEA and its distinguished Director General, my good friend Dr. Mohamed ElBaradei. These are real achievements in improving the human condition and in strengthening international peace and security.

"At this milestone Conference, you are not only reflecting on the past, but looking to the challenges ahead. The challenges will be many and varied. Your agenda is growing every year, in nuclear disarmament, in non-proliferation, in technology for development and in safety and security, including the prevention of nuclear terrorism.

"For me, this Conference is also an opportunity to express my sincere gratitude for our partnership during the 10 years I have served as Secretary-General of the United Nations. Today, I prepare to leave office with a sense of profound reassurance that the stewardship of the peaceful atom is in such competent and reliable hands. I thank you for your support and wish you every success in your mission in the years ahead."

3. Statement by the Federal President of the Republic of Austria

60. Mr. FISCHER (Federal President of the Republic of Austria) said that he had followed with great interest and close attention the report of the Director General, which had confirmed once again how valuable and important the Agency's tasks were. The Agency was celebrating an anniversary, and it was a source of great pleasure to him to be given the opportunity to convey his warmest congratulations to the Agency on behalf of the Republic of Austria — its host country — on the occasion of the opening of the 50th General Conference. An anniversary of that kind was a memorable occasion and provided an opportunity to look at the development of the organization, and to look forward cautiously to future challenges.

61. Nuclear technology was an invention of the 20th century with far-reaching and historic consequences. It could be used for peaceful purposes, such as energy generation, but also for weapons of destruction that posed a threat to humanity. Even the so-called peaceful use of nuclear energy raised problems, and the Agency's responsibility was great. Moreover, people trusted in the Agency to ensure compliance with agreements, treaties and regulations relating to nuclear energy.

62. The 50th anniversary and General Conference were taking place at a time when the Agency was receiving much international attention. The danger of the proliferation of nuclear weapons was at the forefront of political debate and was one of the great challenges facing the international community.

The Agency, which, in its early stages had been an organization primarily technical in nature, had become an important actor in a particularly sensitive political field.

63. The Agency's responsibilities under the NPT could not be overestimated in current times. The Agency fulfilled its mandate with a profound sense of responsibility, impartiality and professionalism, and those qualities had earned more than justified recognition, not least through the award of the 2005 Nobel Peace Prize. He congratulated the Agency on that exceptional honour which had been truly deserved.

64. The effectiveness of the NPT, which formed the foundation of an edifice of multilateral disarmament and non-proliferation treaties constructed over decades, was now being put to the test. Any form of further nuclear proliferation by States or non-State actors must be seen as weakening the central standard that was the NPT. At the same time, failures to fulfil commitments in the field of nuclear disarmament, and the widespread feeling that the Treaty system was fundamentally inegalitarian, could not go unmentioned. It was important that the international community present a united front in the face of such developments, as a solution could only be found on the basis of a broad consensus.

65. Access to nuclear technology was becoming ever easier from a technical point of view. In contrast to the past, there were now a growing number of actors that had the technical capacity required to master the nuclear fuel cycle. The political and legal barrier between the peaceful use of nuclear energy on the one hand and the development of a military nuclear programme on the other was becoming ever more significant in maintaining confidence in the effectiveness of the control regime. Maintaining and strengthening the effectiveness of the NPT and the non-proliferation system should therefore be a common goal.

66. Those States that wished to use nuclear energy for exclusively peaceful purposes must be able to exercise that right; however, it should be done in a way that left no room for doubts regarding their underlying intentions. The role and responsibility of the Agency in monitoring and evaluating in that regard was extremely extensive, and would expand further in the future. While it was his firm intention not to take sides, particularly since Austria did not even command the information required to formulate a detailed opinion, it was important to make several basic points. First, Austria strongly supported the position that the NPT must be complied with to the letter. Second, his country was convinced that in such a sensitive area maximum transparency really could and should be demanded. The Agency should be given all the information it had requested and all inspection possibilities, in order to make accurate and reliable judgements on which every individual Member State could rely without hesitation. Third, the path of negotiations should be fully exhausted; it would be mistaken to depart from an approach based on the principles of the United Nations. The broader the consensus in the international community on such problems the better. The greater the readiness for fair, honest and serious negotiations, the broader the consensus would be.

67. The many other aspects of the broad range of the Agency's activities might perhaps have slipped somewhat from the forefront of public attention in the face of current developments. However, all pillars of the Agency's Statute — verification, safety and technology — remained equally valid and important.

68. Austria had decided by a referendum against the use of nuclear power for electricity generation, and Austrians therefore attached particular importance to the elaboration of and compliance with the highest possible safety standards in that regard. His country would continue to support fully the Agency's ongoing, high-quality work in the nuclear safety field, and the achievements in the improvement of relevant standards. The Agency had made great strides over the last fifty years in all areas of its activity, and could count on the respect and thanks of all Member States.

69. Austria was proud that the Agency had made and continued to make those achievements in Vienna. Since the Agency had established its Headquarters in Vienna, the city had become one of the most important duty stations for international organizations. Austria had much cause to be grateful to the United Nations and to the Agency in particular. He wished the Agency the greatest success in its future activities, in the interest of all, and the very best for the future.

2. Applications for membership of the Agency (GC(50)/9, 10, 11 and 19)

70. The PRESIDENT drew attention to documents GC(50)/9, GC(50)/19, GC(50)/10 and GC(50)/11 containing applications for membership by the Republic of Malawi, the Republic of Montenegro, the Republic of Mozambique and the Republic of Palau respectively. The four applications had been endorsed by the Board of Governors, which had also submitted four draft resolutions for adoption by the General Conference.

71. He took it that the Conference wished to adopt the four draft resolutions.

72. It was so decided.

73. Mr. DOS SANTOS (Republic of Mozambique), speaking under Rule 30, thanked delegations for their support of his country's application for membership of the Agency and assured them that the Republic of Mozambique intended to meet its obligations as a member and act in accordance with the purpose and principles of the Charter of the United Nations.

74. It was a happy coincidence that his country's application had been accepted in the year of the 50th session of the General Conference, and it was relevant and appropriate to take stock of the Agency's achievements – which had been recognized by the Nobel Peace Prize – and to consider the possible constraints that the Agency might face in implementing its objectives in the future. The aims of the Agency had been set out over 50 years ago, and yet were even more valid at present, as technological breakthroughs in past years meant that nuclear energy was used increasingly in applications all over the world, in areas of importance to development.

75. He stressed the need to strengthen technical cooperation, and nuclear science and technology applications in developing countries such as his own. Results would only be achieved when the technological gap between developed and developing countries was bridged, and when developing countries had full access to all the peaceful applications of nuclear energy to eliminate the poverty and diseases which claimed millions of lives in Africa every year.

76. The use of nuclear power entailed a number of special responsibilities in the areas of safety and security, and his country attached particular importance to the strict observance of safety standards.

7. Contributions to the Technical Cooperation Fund for 2007 (GC(50)/20)

77. The PRESIDENT said that, pursuant to an agreement reached in the Board of Governors in 2006, the Board had recommended a figure of US $80 million as the target for voluntary contributions to the TCF for 2007. He drew attention to a table in the attachment to document GC(50)/20 which showed the contributions that each Member State would need to make in order to meet its share of that target.

78. The early pledging and payment of contributions to the TCF greatly helped the Secretariat in planning the Agency's technical cooperation programmes. Delegations in a position to do so were therefore urged to notify the Secretariat during the General Conference's current session of the contributions that their governments would be making to the TCF for 2007.

79. He would report at the end of the session, under a later agenda item, on the contributions which had been pledged up to that time. He hoped to be able to report favourably on the percentage of the 2007 TCF target figure already pledged.

8. General debate and Annual Report for 2005 (GC(50)/4)

80. The PRESIDENT took it that the Conference authorized him, under Rule 50 of the Rules of Procedure, to limit the duration of general debate statements to 15 minutes.

81. It was so agreed.

82. Mr. CANALES CLARIOND (Mexico) said that the role played by the Agency and its Director General to prevent nuclear power being used for destructive purposes had rightly led to the award of the 2005 Nobel Peace Prize. He joined others in celebrating that historic event, with the renewed conviction that all members of the international community should continue to strengthen the international institutions that contributed to peace, such as the Agency. He thanked the host country, Austria, and its people for their support of the Agency.

83. Mexico had been collaborating closely with the Agency since 1958 and fully shared its objectives and ideals, particularly at a time when the current threats facing the international community highlighted the Agency's responsibility to continue working towards a safe world for all. Disarmament and non-proliferation had been the central objectives of Mexico's foreign policy for more than half a century. The complete and definitive elimination of nuclear weapons was the only effective way to prevent nuclear proliferation. Mexico was a signatory of the NPT and also a signatory, promoter and depository of the Tlatelolco Treaty. Its comprehensive safeguards agreement had been in force since 1973, and the additional protocol it had signed in March 2004 was ready for ratification. Mexico had also subscribed to the majority of international legal instruments relating to nuclear and radiation safety, and was preparing to accede to the Joint Convention.

84. He expressed concern that disarmament was not being appropriately prioritized within the United Nations reform process; it had not been mentioned in the outcome document of the High-Level Plenary Meeting of the General Assembly in 2005, or in the final document of the 2005 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons. Over the previous ten years, the Conference on Disarmament had not reached a consensus on its programme of work; nor had agreement been reached on a monitoring mechanism for the programme of action to prevent, combat and eradicate the illicit trade in small arms and light weapons. In addition, some States had experienced difficulties with respect to the timeframes established for destruction of their chemical arsenals. Accordingly, it was vital to strengthen the Agency and enable it to meet more efficiently its non-proliferation responsibilities, while promoting the peaceful use of nuclear power for the good of humanity. The Director General's initiative concerning a multilateral mechanism to ensure access to nuclear fuel, without limiting the right of all States to the full nuclear fuel cycle, was interesting and should be carefully considered within the framework of the Board and subsequently the General Conference.

85. Mexico was one of the 33 countries constructively using nuclear power, and twenty-five years of reactor experience had enabled his country to see first hand the benefits of nuclear power generation. For more than a hundred years, hydrocarbons had provided for unprecedented prosperity, opened markets and facilitated the movement of people by air, land and sea. Today, however, the circumstances were different. Environmental deterioration caused by the extraction, burning and processing of fossil fuels, and recurring difficulties in meeting the growing demand, presented serious challenges. A change of strategy to emphasize the large-scale use of alternative sources of energy and to modify consumer patterns was required. Nuclear power had a key role to play in that energy migration, as did renewable energy sources.

86. Nuclear power plants guaranteed security and reliability of supply, two increasingly valued characteristics. Furthermore, it was estimated that the amount of fissionable material - uranium and thorium - was sufficient to meet the global demand for several centuries to come. Mexico was therefore taking steps to increase the contribution of nuclear power to the national electricity grid, which currently had an installed capacity of 49000 MW(e) and was growing at a rate of 5% per annum. The decision had been taken to expand Mexico's nuclear programme, and an ad hoc committee had already been set up to make the related technical decisions. In the short term, the capacity of the Laguna Verde nuclear power plant would be increased by 19% to 1629 MW(e). In the medium term, with the Agency's support, Mexico would be carrying out the necessary studies to extend the operating licence of the Laguna Verde reactors, and implementing recommendations to improve the management of radioactive waste.

87. Mr. BODMAN (United States of America) began his statement by reading out an excerpt from a message from President Bush:

> "My Administration has announced a bold new proposal called the Global Nuclear Energy Partnership. We will work through that partnership with countries to meet their growing energy needs, dispose of waste safely, advance non-proliferation, and keep nuclear technology out of the hands of terrorist networks and terrorist States.
>
> "We will encourage reliable access to nuclear fuel for countries that agree to forego uranium enrichment and reprocessing activities. Together, we can ensure that cheap, safe, and clean nuclear energy and its benefits are enjoyed by all who are in compliance with their non-proliferation obligations."

88. Turning to some of his country's recent non-proliferation successes, he said that through close co-operation with Russia, the security for hundreds of metric tons of weapons-usable materials in

Russia had been strengthened and efforts to complete that work by the end of 2008 were on track. More than 250 metric tons of Russian highly enriched uranium had been blended down and sold as commercial fuel. Furthermore, plans to eliminate surplus United States' and Russian plutonium were continuing.

89. The United States and Russia had recently announced the new Global Initiative to Combat Nuclear Terrorism that built on United Nations Security Council resolution 1540 (2004), the recently amended CPPNM, the additional protocol and related instruments. The measures should be implemented fully in order to control proliferation and secure the safe expansion of nuclear energy use worldwide.

90. Under the Global Threat Reduction Initiative, his country had recently worked with Russia and the Agency to secure and return highly enriched uranium and other materials at risk from countries including Bulgaria, the Czech Republic, Latvia, Libya, Poland, Serbia and Uzbekistan. Efforts should be redoubled to secure nuclear and radiological material and expand further cooperative work in the area of nuclear non-proliferation.

91. Although the world still relied primarily on coal, natural gas and oil to generate electrical power, nuclear energy provided a host of benefits that fossil fuels could not match. However, in order to realize the full benefits of nuclear power, four basic conditions had to be met. First, nuclear power must be cost-competitive. In the United States, legislation had been enacted providing financing, as well as tax, insurance and licensing incentives for the construction of new facilities, and some 27 new reactors were now in various stages of planning and design. Second, nuclear waste and spent fuel must be managed responsibly. The Department of Energy was pushing aggressively to open the Yucca Mountain Repository by 2017, and the United States welcomed the progress made by other nations such as Finland and Sweden with regard to geological repositories. Third, nuclear power must be safe, and the outstanding safety record over the previous twenty years must continue. Fourth, the firmest safeguards over nuclear materials must be maintained; any expansion of nuclear power must not result in additional States acquiring nuclear weapons.

92. The Global Nuclear Energy Partnership announced by President Bush in January would complement the proposal put forward by President Putin to establish international nuclear fuel service centres. Those plans, together with ideas put forward by the Agency, aimed to facilitate the global expansion of nuclear power to meet global energy needs, limit carbon emissions and reduce proliferation dangers. Through the Global Nuclear Energy Partnership, the United States was proposing the development and deployment of advanced technologies for recycling spent nuclear fuel that did not yield separated plutonium. It aimed to work with others to develop advanced, proliferation-resistant nuclear power reactors appropriate for the power grids and needs of developing economies. Most critically, it hoped to cooperate with partners from nuclear supplier and recipient States to provide reliable fuel services on a competitive basis worldwide by assuring the supply and return of spent fuel for recycling to nations that agreed not to pursue enrichment and reprocessing capabilities.

93. An international framework for an assured fuel supply was critical in meeting the world's energy needs and in advancing non-proliferation goals, and the United States welcomed the special event concerning assurances of supply and non-proliferation to be held during the General Conference. His country intended to work with the Agency and all other willing partners to create a framework for reliable fuel guarantees at fair market prices, and for the storage, transport and processing of spent fuel. It would also collaborate with the Agency to promote dialogue between suppliers and recipients, foster acceptance of technological advances and help countries build the skills necessary to use nuclear energy effectively. The United States was seeking mutually beneficial agreements with other like-minded nations sharing its vision for a responsible, expanded use of nuclear energy.

94. An assured fuel supply would increase considerably energy independence and thus the political and strategic independence of all nations, in particular the smaller ones. Accordingly, he called for the rapid adoption of the concept for a multilateral mechanism for reliable access to nuclear fuel put forward to the Board of Governors by France, Germany, the Netherlands, Russia, the United Kingdom and the United States of America.

95. Obstacles to the safe expansion of nuclear power remained. The defiance and violations of the Islamic Republic of Iran and the DPRK, and risks of catastrophic nuclear terror must be addressed. All States must act decisively and responsibly to prevent proliferation and thwart terrorists bent on nuclear or radiological violence.

96. In the fifty years since the Agency had been founded great progress had been made in the expansion of nuclear power for peaceful purposes. In his opinion however, the next fifty years would be the real "nuclear age". Through continued progress in science and technology, the safety and security of nuclear reactors could be improved and the challenge of waste disposal solved. However, only through a global partnership benefiting the world's economies and the environment and limiting proliferation risks could the "Atoms for Peace" vision that the Agency had been founded to pursue be realized.

97. Mr. TORSTILA (Finland), speaking on behalf of the European Union, said that the acceding countries Bulgaria and Romania, the candidate countries Croatia, Turkey and the Former Yugoslav Republic of Macedonia, the countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina, and Serbia, the EFTA countries Iceland and Norway, members of the European Economic Area, as well as Moldova and Ukraine, associated themselves with the statement that he was about to make.

98. On the occasion of the Agency’s 50th anniversary, it was time to look back with appreciation on the Agency’s accomplishments and reflect on the reasons why its work had become so important. The Agency was the world’s focal point for peaceful nuclear cooperation and nuclear safety, and played an indispensable global role in preventing the spread of nuclear weapons and countering new threats of nuclear terrorism. Its professional and impartial expertise was widely valued by all Member States.

99. The Nobel Peace Prize received by the Agency and its Director General in 2005 was both the ‘jewel in the crown’ of the 50th anniversary celebrations and a most remarkable recognition of the Agency’s achievements. The European Union wholeheartedly congratulated Dr. Mohamed ElBaradei and his staff on the award.

100. The European Union continued to regard the NPT as the cornerstone of the global nuclear non-proliferation regime, and Article IV as the foundation for the pursuit of nuclear disarmament, and an important element in further developing nuclear energy applications for peaceful purposes. It was fully committed to the NPT and to the three pillars on which it was based.

101. Non-compliance with the NPT and safeguards obligations stemming from it was the most important non-proliferation challenge facing the international community. It was regrettable that the 2005 NPT Review Conference had not been able to produce a consensus document on those and other issues. The European Union hoped that the next NPT review cycle would yield tangible results in all three areas of the NPT, which would help to reinforce the international non-proliferation regime. The European Union’s common position adopted for the 2005 NPT Review Conference would continue to form the basis of its common approach for the forthcoming review cycle. It looked forward to the first session of the Preparatory Committee of the 2010 NPT Review Conference in 2007, which might take place in Vienna, and was committed to contributing actively to a successful outcome of that meeting.

102. As an important contribution to strengthening the non-proliferation regime, the Heads of State and Government of the European Union had adopted a Strategy against the Proliferation of Weapons of Mass Destruction in 2003. The strengthening and universalization of the multilateral non-proliferation, arms control and disarmament treaties, and strict implementation and compliance with those instruments, were at the centre of the European Union's action.

103. The European Union was convinced that a multilateral approach to international security, including disarmament and non-proliferation, was the best way to maintain peace and stability. It continued to work towards universal accession to the NPT and called on those States not yet party to the NPT to join that Treaty as non-nuclear-weapon States. The European Union also attached the utmost importance to the early entry into force of the CTBT, in particular since 2006 marked the tenth anniversary of the Treaty's opening for signature.

104. The European Union was encouraged by the new momentum created in 2006 in the Conference on Disarmament on starting negotiations on an FMCT, and welcomed the participation of Agency representatives in recent discussions in the Conference on Disarmament.

105. The European Union strongly supported strengthening the effectiveness and efficiency of the Agency safeguards system. It was regrettable that, almost 10 years after the adoption of the model additional protocol, 105 States had still not brought an additional protocol into force, and the European Union urged all States to sign, ratify and implement an additional protocol without delay. The European Union also regretted that 30 States had yet to fulfil even their basic obligations under the NPT to bring comprehensive safeguards agreements with the Agency into force.

106. Comprehensive safeguards agreements together with additional protocols constituted the current Agency verification standard and enabled the Agency to provide credible assurances of the non-diversion of nuclear materials and of the absence of undeclared nuclear materials and activities within a State. The universalization of additional protocols would strengthen the international non-proliferation regime and contribute to the security of all States. In addition, it would greatly increase the confidence necessary for international cooperation in the peaceful uses of nuclear energy.

107. The Director General had repeatedly said that the model additional protocol must become the standard for all States party to the NPT, in order to enable the Agency to fulfil its verification responsibilities in a credible manner. The time had come for the Board of Governors to recognize comprehensive safeguards agreements and additional protocols as today's Agency safeguards standard; a draft resolution would be submitted to the present session of the General Conference seeking to put that recommendation into effect.

108. The conclusion by all States in the Middle East of comprehensive safeguards agreements and additional protocols should be a priority for the international community as a whole, and would make a crucial contribution to an overall improvement in security and confidence in the region. The European Union called on all States in the region to make the Middle East into an effectively verifiable zone free from nuclear weapons and other weapons of mass destruction and their delivery systems.

109. The European Union commended the Secretariat for its efforts to encourage and facilitate the conclusion of safeguards agreements and additional protocols. The European Union, for its part, promoted universalization in its relations with third countries, and provided legislative and regulatory support to countries requiring assistance in concluding and implementing safeguards agreements and additional protocols.

110. The European Union remained seriously concerned that the Agency had been unable to verify the nuclear activities of the DPRK since December 2002. It urged the DPRK to comply with all its

international commitments fully, unconditionally and without delay, in particular with its comprehensive safeguards agreement under the NPT. The European Union called upon the DPRK to abandon and completely dismantle any programme related to nuclear weapons in a prompt, transparent, verifiable and irreversible manner. It fully supported Security Council resolution 1695 (2006), which strongly urged the DPRK to return immediately to the six-party talks without precondition and implement the joint statement concluded in September 2005. The European Union was firmly committed to working towards a peaceful and negotiated settlement to the DPRK nuclear issue.

111. The European Union commended the Director General and the Secretariat for their continuing efforts to seek clarification from the Islamic Republic of Iran and to verify that country's nuclear programme. It took a serious view of the Director General's assessment that, after nearly four years of intense inspections, the Agency remained unable to make further progress in its efforts to verify the correctness and completeness of Iran's declarations with a view to confirming the peaceful nature of its nuclear programme. The European Union fully supported Security Council resolution 1696 (2006), which demanded that Iran suspend all enrichment-related and reprocessing activities, including research and development. Suspension was no longer a voluntary confidence-building measure, but an international obligation. It was regrettable that Iran had not fulfilled the obligations established by Security Council resolution 1696, or taken the steps required by the Board of Governors. Prompt and full compliance by Iran with the relevant international obligations and other requirements would facilitate negotiations for a diplomatic solution. The European Union once again encouraged Iran to engage positively with regard to the proposals made by six countries, with the support of the European Union's High Representative, for a long-term comprehensive arrangement, and welcomed the recent meetings between the High Representative and the Iranian chief nuclear negotiator.

112. Nuclear enrichment and reprocessing technologies were the subject of particular attention because of their potential military application. It was important to encourage access guarantees to nuclear fuel-related services or to the fuel itself, under appropriate conditions and on a voluntary basis, without unduly interfering with market mechanisms or conflicting with relevant international instruments. The European Union welcomed the special event to be held during the present session of the General Conference, and looked forward to participating in discussions on different proposals, such as a concept for a multilateral mechanism for reliable access to nuclear fuel.

113. Illicit trade in nuclear equipment and technology was a matter of serious concern. The European Union commended the Agency for its efforts to investigate illicit trade patterns and fully endorsed the Director General's call for full cooperation from all States in identifying supply routes and sources of technology, equipment and materials. It attached great importance to strong national and internationally coordinated export controls, notably in the NSG and the Zangger Committee, and welcomed the extension of the mandate of the committee established pursuant to Security Council resolution 1540 (2004).

114. The European Union continued to attribute great importance to the fight against terrorism, and strongly supported all measures aimed at preventing terrorists from acquiring nuclear, biological, chemical and radiological weapons and their means of delivery, including the G8 Global Partnership, the Proliferation Security Initiative and the Global Threat Reduction Initiative. It noted with interest the new global initiative to combat nuclear terrorism announced by the Presidents of the United States of America and the Russian Federation in July 2006, and supported efforts to minimize, wherever technically and economically feasible, the use of HEU in the civilian nuclear sector and to facilitate conversion to LEU.

115. The Agency played a vital role in the area of nuclear security, particularly through the NSF, to which the European Union was currently the largest donor. The European Union had recently

approved a Council Joint Action worth almost €7 million, to support Agency activities in partner countries.

116. Effective physical protection was of paramount importance for preventing illicit trafficking and ensuring protection against nuclear terrorism and other malicious acts. The European Union called on all States that had not yet done so to become party to the CPPNM and its amendment, and to the International Convention for the Suppression of Acts of Nuclear Terrorism as soon as possible. He urged all countries to follow the example of the Member States of the European Union and declare their political commitment to the Code of Conduct on the Safety and Security of Radioactive Sources, and implement the supplementary Guidance on the Import and Export of Radioactive Sources

117. The current year marked the 20th anniversary of the Chernobyl accident. The memory of the disaster and its consequences continued to keep the international community alert to enhancing safety in all nuclear facilities. The European Union attached the utmost importance to a high level of nuclear safety worldwide. Although safety was a national responsibility, it had implications beyond national boundaries, and international cooperation on the issue was indispensable. The European Union welcomed the Agency's activities in fostering a global nuclear safety regime, and in particular, the efforts made in recent years to update and extend the Agency's safety standards to cover all-important thematic areas, facilities and activities.

118. The Convention on Nuclear Safety, and the Joint Convention, together with their peer review processes, constituted an important tool for establishing and maintaining a high level of nuclear safety. The European Union called on all States that had not yet done so to accede to those two Conventions and to apply the resulting obligations in full.

119. It also urged all States to become contracting parties to the Early Notification Convention and the Assistance Convention. The European Union supported the Agency's measures to strengthen the international preparedness and response system, and encouraged all States to improve their national capabilities for nuclear and radiological emergencies.

120. The global need for long-term and more environmentally friendly energy required a large increase in research efforts worldwide on energy sources to replace fossil fuels. The European Union was a party to ITER, a major international scientific and technical cooperation project, and the experimental reactor would be sited at Cadarache, France.

121. The European Union was following closely the development of innovative projects in the field of nuclear reactors and fuel cycles; 26 countries and the European Commission were currently participating in INPRO.

122. Enhanced coordination among the United Nations agencies was important to ensure an effective and sustainable impact on human health, agricultural development, the environment, and other areas. The European Union endorsed the recommendation by the External Auditor that the Agency should embrace the objectives of UNDAF in order to bring greater coherence to United Nations programmes of assistance at the country level. A positive example of such enhanced coordination was PACT; the European Union welcomed the Secretariat's efforts in the fields of radio diagnosis and radiotherapy, to address the growing problem of cancer, particularly in developing countries.

123. The European Union encouraged the many peaceful and beneficial applications of nuclear technology through multilateral and bilateral programmes. It fully supported the Agency's technical cooperation programme as one of the most important instruments for peaceful nuclear development, and attached importance to adequate financial and human resources to enable the Agency to meet its responsibilities in the area of technical cooperation effectively.

124. Strong government commitment was also essential for successful technical cooperation. All projects should relate to national priorities, as defined in CPFs, and he encouraged the Secretariat to ensure that technical cooperation funds were spent first and foremost in developing countries that had actually contributed to the TCF and did not have any NPC arrears.

125. The transfer of nuclear knowledge, technology, equipment and materials could only take place in an environment in which nuclear and radiation safety, as well as security, were ensured. The European Union therefore welcomed the Agency's education and training programmes, which would contribute to the updating of nuclear knowledge in both developing and developed countries.

126. The Agency must have the financial and human resources necessary to accomplish its statutory tasks. The 25 Member States of the European Union provided a substantial part of the Regular Budget, and a significant share of voluntary contributions. All States should pay their contributions to the Regular Budget and the TCF in full and on time, and contribute to the Nuclear Security Fund.

127. The Agency was held in high regard and was widely seen as a well run and dynamic organization. Much of the credit was due to the efforts of the Director General and his staff. The European Union continued to support the Director General's efforts to improve the efficiency and effectiveness of the Agency, in accordance with the Medium Term Strategy for 2006–2011.

128. Mr. AGHAZADEH (Islamic Republic of Iran) said that one of the topics of the Conference was utilization of atomic energy in the 21st century and supply and assurances of nuclear fuel; the topic had been discussed on many occasions during the previous three decades, but no tangible result had ever been arrived at. Some progress had now been made, but there was still no hope of a final achievement, as many Member States remained sceptical because the intentions and objectives of the issue's proponents were still ambiguous and questionable. There was still a lack of confidence and trust regarding what was on the table and what remained hidden. The reason should be sought in the approach and conduct of certain nuclear-weapon States vis-à-vis the rights and obligations of Member States.

129. At the NPT Review Conference in 1995, the nuclear-weapon States had misled the non-nuclear-weapon States into accepting an unlimited extension of the NPT by making promises and undertaking commitments on a superficial level. The Islamic Republic of Iran and most of the developing countries were sceptical as to the goodwill of those countries, since the 25-year history of the NPT had been full of failures in their commitments. For that reason, the extension had been adopted conditionally, as reflected in the statements and formal reservations by the majority of States parties. It was profoundly regrettable that after only a short period it had become clear that their pessimism was not without justification.

130. The commitments on nuclear disarmament had been breached on a regular basis, and in some cases had even been reversed. The NPT's universality had become meaningless by the implicit recognition of some emerging nuclear weapons capabilities. Israeli nuclear weapons had continued to be ambiguous, and there had been no intention to dismantle them. Countries outside the NPT had been rewarded by access to nuclear equipment, capabilities and materials and by the expansion of nuclear cooperation. In contrast, the majority of parties had continued to be deprived of peaceful nuclear technology. The restrictions had not been reduced; instead they had been increased. It had come as no surprise, therefore, that the 2005 NPT Review Conference had totally failed. The responsibility for those failures rested fully on the shoulders of those nuclear States that had ignored their undertakings under the previous NPT Review Conferences.

131. Against that background, there was serious concern over the hidden and transparent measures and attempts aimed at depriving other countries of nuclear fuel production capability and its related technology. The attempts could be deceiving and misleading, as it was said that nuclear fuel

capabilities would be tantamount to a capability for diversion from peaceful purposes. It was therefore argued that with the exception of a few countries - including nuclear-weapon States and those that had rejected the NPT - others must accept a denial of their inalienable rights. Determined efforts were being made to turn the NPT, which had been founded on the three pillars of nuclear disarmament, peaceful cooperation and non-proliferation, into a unipolar Treaty resting on the single column of non-proliferation. That approach would lead only to the fragility and vulnerability of the NPT.

132. It was now generally agreed that nuclear energy would constitute the main part of the global energy mix in the coming decades, so that achieving the capability for fuel production would be critical for developing countries. The reduction or removal of restrictions on the supply of nuclear power reactors was not very significant; what was essential was the ability to produce one's own nuclear fuel, and not be dependent on others. That was why developed countries, except those restricted by their environmental policies, were determined to develop nuclear fuel and enrichment, and continued to invest in and subsidize that technology in spite of the lack of economic justification and even the loss of profit by their companies involved in nuclear fuel production. In other words, since they had the capability to produce the atomic bomb they had permission to have nuclear fuel capability. With the same logic they would permit the nuclear-weapon States that had rejected the NPT to produce nuclear fuel. At the same time, the Islamic Republic of Iran and other developing countries that had joined the NPT and rejected nuclear weapons must not pursue nuclear fuel production since it might be diverted to prohibited purposes. It was a strange form of logic.

133. The developing countries should not neglect the fact that developed countries were seeking to create a monopoly on the production of nuclear fuel – a strategic and critical commodity. That monopoly should not be accepted. Restricting or prohibiting Member States, not only Iran, from exercising their inalienable rights to develop and pursue peaceful nuclear activities was not acceptable. Before the gap within the NPT and among the Agency's members widened and before the positions of the two sides were further polarized, that devastating process must stop. Over the past three years, the Islamic Republic of Iran's nuclear programme had been in the forefront of such issues, and if it withdrew from its position they would apply that as a model to other developing countries. For that reason they had spared no efforts in intimidating and threatening the Islamic Republic of Iran. At the recently concluded 14th summit meeting of the NAM, held in Havana, Cuba, the 116 Heads of State and Government of the NAM countries had unanimously reaffirmed the basic and inalienable right of all States to develop, research, produce, and utilize atomic energy for peaceful purposes without any discrimination and in conformity with their respective legal obligations, and that the choices and decisions of States in the field of peaceful uses of nuclear technology and its fuel cycle must be respected. The Iranian people and Government expressed their sincere appreciation for the valuable support of the NAM over the past three years.

134. The Board's decision to convey Iran's nuclear issue to the United Nations Security Council had no legal basis and was in contradiction with the Agency's Statute and its practice. How could a programme be considered a "threat against international peace and security" and conveyed to the Security Council when the Agency, after three years of intrusive and robust inspection and investigation, had not found any evidence of diversion to prohibited purposes? More surprising still had been that the Board should have changed the voluntary and non-legally binding measure to a mandatory obligation; without doubt that signalled a new trend and constituted a deplorable precedent in the history of the Agency.

135. The overwhelming legal opinion of renowned international jurists asserted that the Board was not empowered to make such a judgement or to act beyond its statutory mandate. The Islamic Republic of Iran therefore had no legal obligation to accept such demands. The Agency's purpose and function was both to safeguard and to facilitate peaceful nuclear activities; the two were intertwined. If it were not able to live up to its commitments vis-à-vis the Islamic Republic of Iran, and restricted

Iran's access to peaceful nuclear capabilities and undermined its inalienable rights, the Agency would be in breach of its obligations under the Statute and the bilateral safeguards agreement. In such a case, the Islamic Republic of Iran would also have no legal obligation towards the Agency. There should also be no doubt that any hostile action by the Security Council would lead to a limitation of cooperation with the Agency. Such a unilateral approach aggressively pursued by one or two States was bound to cause loss and damage to all.

136. Achieving a solution was by no means beyond reach. The Islamic Republic of Iran believed that an agreement could be reached through negotiations, relying on good faith, political will and flexibility. His country was prepared for negotiations and a political compromise, and believed that a peaceful solution of the issue through political understanding would pave the way for more significant and extended agreements, reducing and removing the tensions, and bringing stability to the region. To that end, his country had received the EU-3 package proposal and, despite all its ambiguities and shortcomings, had considered it a step forward. After an in-depth study by Iranian experts, a comprehensive response had been submitted to Iran's counterparts on the announced date of 22 August 2006, with the aim of paving the way for discussions and negotiations to achieve a comprehensive agreement.

137. He said that the intentions of the Islamic Republic of Iran were exclusively peaceful; it had no intention of violating its obligations under the NPT; it was prepared to maintain its nuclear programme under the surveillance of the Agency; it had accepted the Agency inspections in accordance with the comprehensive safeguards agreement which was implemented on a routine basis; it was prepared to accept any partnership in its nuclear fuel production programme with any country that was interested; it believed in regional cooperation on its peaceful nuclear activities and the establishment of a nuclear-weapon-free zone; and it was against nuclear weapons and was seeking their total elimination in the region and the world. The Islamic Republic of Iran had opted for conciliation, and hoped that logic would gradually prevail over force and that compromise would overcome hostility and confrontation.

138. Mr. MATSUDA (Japan), welcoming Malawi, Montenegro, Mozambique and Palau as new members of the Agency and congratulating the Agency and its Director General on being awarded the 2005 Nobel Peace Prize, said that his country, as the only one to have suffered atomic bombings, once again called upon all countries to demonstrate their firm determination to realize a peaceful and safe world free of nuclear weapons. Japan highly valued the Agency's activities and would continue to work closely with it in various areas; as part of its contribution to the Agency's 50th anniversary celebrations, Japan would be hosting an Agency symposium on nuclear energy in April 2007.

139. In recent years, the role of nuclear energy had been re-evaluated and the momentum for the promotion of nuclear energy had grown across the globe. The use of nuclear energy needed to be promoted in a manner that fully took into account non-proliferation, safety and security. From that perspective, the Agency's role had become even more important.

140. In October 2005, Japan had announced its framework for nuclear energy policy. Having identified nuclear energy as a key source of electricity, Japan was seeking to establish the nuclear fuel cycle, strictly limiting its use to peaceful purposes. It would be promoting research and development of fast breeder reactor cycle technology, and was prepared to share results with the international community.

141. The international community needed to reinforce the NPT regime, which remained under strain with such challenges as the nuclear issues of the DPRK and the Islamic Republic of Iran. Efforts to strengthen the nuclear non-proliferation regime needed to be redoubled. Japan welcomed the various proposals that had been made to reinforce the NPT regime, but bringing them forward was a challenging yet important task. Consideration had to be given to how to promote the peaceful uses of

nuclear energy while ensuring consistency with non-proliferation requirements, notably such questions as whether the right of peaceful uses would not be unduly restricted, and whether an additional burden would not be imposed on those countries that fully complied with relevant international rules.

142. The assurance of nuclear fuel supply was the most pressing issue that needed to be addressed. At the session of the Board in June 2006, a six-nation initiative concerning reliable access to nuclear fuel had been brought to the attention of Member States. Japan was proposing the establishment of an Agency standby arrangements system for the assurance of nuclear fuel supply, with a view to complementing the six-nation initiative. The system covered not only uranium enrichment but also all phases of the whole front-end of the nuclear fuel cycle, so that many countries would be allowed to participate and to make contributions. Japan would play its part in securing the smooth launching of the preparatory process for the 2010 NPT Review Conference due to commence in 2007 with a view to ensuring the Conference's success.

143. While the nuclear issues of the DPRK and the Islamic Republic of Iran remained as matters of immediate and grave concern, the Libyan Arab Jamahiriya's decision to abandon its weapons of mass destruction had set a good precedent, and it was important that the international community make a positive response. It should demonstrate the benefits of a strategic decision to cooperate with the international community and to be a part of the global non-proliferation mainstream, and should do its utmost to extend cooperation to Libya so that that country could become a role model for others.

144. Nearly a year had passed since the six-party talks had adopted the joint statement in which the DPRK had committed itself to abandoning all nuclear weapons and existing nuclear programmes. As had been clearly stated in United Nations Security Council resolution 1695 (2006), the international community had urged the DPRK to return immediately to the six-party talks without precondition and to work towards the expeditious implementation of the joint statement. The DPRK should also respond to other security and humanitarian concerns, including early resolution of the abduction issue. The DPRK's multiple launches of ballistic missiles in July 2006 were closely related to the nuclear issue, given the potential of such systems to be used as a means of WMD delivery. They were a matter of grave concern to the security of Japan and to the peace and security of the international community, as well as from the perspective of non-proliferation of WMDs. Furthermore, it was a deplorable act that impeded the efforts by the countries concerned for the resumption of the six-party talks. Japan was determined to strive for the steady implementation of the Security Council resolution 1695.

145. Turning to the Iranian nuclear issue, he said that it was regrettable that the Islamic Republic of Iran had been continuing uranium enrichment in defiance of the Security Council resolution 1696 (2006). The issue was not about whether the Islamic Republic of Iran had the right to use nuclear energy for peaceful purposes; what was important was that that right could only be exercised on the premise that Iran restore the confidence of the international community that had been lost because of its past activities. Japan supported the comprehensive proposals presented by the EU-3, China, the Russian Federation and the United States of America, and strongly urged Iran to accept the Security Council resolution, immediately suspend uranium enrichment-related activities and return to the negotiation table.

146. It was imperative that the international community collectively address the issue of nuclear security in order to counter the threat of nuclear terrorism. Japan had been conducting intensive consultations domestically for the early conclusion of the International Convention for the Suppression of Acts of Nuclear Terrorism and the amendment to the CPPNM in order to facilitate their early entry into force. Japan would be hosting an Agency seminar on nuclear security, including the issue of smooth implementation of those Conventions, in Tokyo in November. Japan welcomed the Global Initiative to Combat Nuclear Terrorism announced by Presidents Bush and Putin on 15 July 2006, which, it believed, would help strengthen measures against nuclear terrorism.

147. Japan attached significance to the Agency's technical cooperation activities, and had been making a considerable contribution to the Regional Cooperative Agreement for Research, Development and Training. Japan was also one of the few Member States to have continuously contributed 100% of its share to the TCF despite tight budgetary constraints. It strongly encouraged all Member States to pay their share of the target in full and without delay, and urged recipient countries to fulfil their shared responsibilities. The Forum for Nuclear Cooperation in Asia was a framework that had promoted peaceful uses of nuclear energy in Asia, and a similar forum could be beneficial to achieving the same objective in other regions such as Africa. Japan would like to extend its support through the Agency framework, and work towards strengthening such regional forums. Innovative technologies should be applied with respect to the peaceful use of nuclear energy, and Japan would spare no efforts in supporting the Agency in that respect.

148. In order to promote the peaceful uses of nuclear energy, ensuring safety was the fundamental precondition. In particular, it was useful to conduct policy dialogue and a peer review among high-level officials of regulatory authorities of countries with advanced nuclear safety regulations. In that connection, Japan was planning to receive an IRRS in 2007 in cooperation with relevant countries, and would like to encourage other Member States to receive such a service in order to enhance nuclear safety.

149. The safe transport of radioactive material was essential for the peaceful uses of nuclear energy. Japan was willing to maintain dialogue between shipping and coastal States, aimed at improving mutual understanding and building confidence. Japan had found very useful the TranSAS mission that had been conducted in Japan in 2005, and had verified the effectiveness of Japan's regulatory practices in the safe transport of radioactive materials.

150. There was no doubt that sufficient financial resources were necessary for the Agency to play its expected role. In preparing the 2008-2009 programme and budget proposals, however, the Secretariat should pay due consideration to the budgetary situation of Member States and should continue its efforts towards improving efficiency in budget management through prioritization of projects and reduction of costs.

151. Mr. KIM Woo Sik (Republic of Korea) said that as a clean and low-cost energy source, nuclear energy met 16% of the world's electricity demand. Furthermore, nuclear technology contributed not only to the wellbeing of human society, but also to environmental preservation and scientific development. His country's was grateful to the Agency for its contribution to world peace and human security through the promotion of the peaceful use of nuclear energy.

152. Having fulfilled a pivotal role for the last five decades, the Agency was facing new challenges, with the world's energy demand expected to double by 2050. Oil prices were soaring as demand shot up and fossil fuels were depleting rapidly. The new mission of the Agency was to maximize the contribution of nuclear technology in dealing with the serious problems the world was facing such as global warming, environmental destruction, water and food shortages, cancer and AIDS. The Agency's role in securing nuclear safety and protecting humanity against the threat of nuclear war should also be regarded more seriously.

153. The Republic of Korea was one of the biggest beneficiaries of the Agency's activities and had a history of rapid, yet secure, growth on nuclear programmes with Agency assistance. In addition to technological development, it was finding ways of managing nuclear waste and appropriate sites. Such action helped to resolve public concerns, and his country would be willing to share its experience in that regard.

154. Due to its limited natural resources, the Republic of Korea had, in the past, had to rely heavily on imported fossil fuels to generate electricity. Over the years it had decreased its dependency on oil,

and nuclear power had been a natural choice as it offered a low-cost, stable energy supply. His country now operated one of the most active nuclear programmes in the world, with 20 nuclear power plants supplying 40% of the country's electricity. In the past, nuclear power plants had been brought in from the United States, but the Republic of Korea was now supplying main components of nuclear power plants, such as the steam generator, to the United States.

155. Based on technology transferred from partner states, his country had designed and built six 1000 MW(e) LWRs. It had also developed a new 1400 MW(e) reactor with significantly improved safety and economic efficiency, and an application for a construction permit for that reactor was currently being reviewed.

156. His country had been participating actively in the development of future nuclear energy systems in projects such as the GIF, and was confident that the GIF would provide advanced nuclear energy systems with enhanced cost-efficiency, sustainability, safety and nuclear proliferation-resistance in the near future. His Government welcomed China and Russia on board and hoped that they would take an active part in GIF development.

157. The Republic of Korea welcomed the successful conclusion of Phase I of INPRO. Phase II was now underway, and he hoped that the activities of GIF and INPRO would come together in harmony to ensure the successful development of an innovative system.

158. The ITER project represented an important step towards making fusion a viable energy source. He hoped that ITER members would pay more attention to ensuring the safety of future fusion facilities, such as demonstration and commercial plants, and that the Agency would take a leading role in developing safety principles, guidelines and technical standards for fusion systems.

159. The four principles on the use of nuclear energy announced in 2004 had become the main priority of Korean nuclear policies. In accordance with its policy of expanding the peaceful use of nuclear energy, his Government was setting up a five-year plan that included various programmes in areas such as nuclear energy systems, medicine, agriculture and environmental preservation. It was also establishing seven regional cyclotron centres throughout the country in order to extend the benefits of nuclear medicine. At the same time, various types of research were underway to apply radiation technology in fields including the environment, biotechnology, food engineering, life science, agriculture and the aerospace industry.

160. A system-integrated modular advanced reactor used for both desalination and power generation was also being developed. As water shortage was a problem for a considerable number of Member States, the Agency should expand programmes to facilitate the exchange of information on small-sized reactors for desalination.

161. Safety was the most important factor in any nuclear programme, and his Government would make every effort to meet the highest standards of nuclear safety by complying strictly with international frameworks such as the Convention on Nuclear Safety and the Joint Convention. As the importance of safety standards in promoting nuclear safety continued to increase, his country would join efforts to develop nuclear regulation technology.

162. Building a radioactive waste management facility was a major problem for all Member States, and the Republic of Korea was no exception. His country had designated a site suitable for the construction of a low- and medium-level radioactive waste management facility after a long and challenging process, and hoped to share its experience with other Member States.

163. The peaceful use of nuclear energy should be based on compliance with the NPT and transparency in nuclear programmes. The Republic of Korea would make every effort to prevent the proliferation of nuclear technologies and materials that might be misused.

164. In order to reinforce the national nuclear control system, his country had established the Korea Institute of Nuclear Non-Proliferation and Control in 2006, as an independent organization in charge of the SSAC. At the same time, it was promoting cooperation with the Agency to apply integrated safeguards.

165. Achieving a peaceful resolution to the nuclear issue in the DPRK through diplomatic means was vital to ensure lasting peace on the Korean Peninsula and the promotion of peace and prosperity in North-East Asia. His Government called on the DPRK to return at an early date to the NPT and Agency safeguards, in accordance with the joint statement of September 19, 2005, agreed upon by all participants in of the six-party talks. It also urged the DPRK, in accordance with Security Council resolution 1695 (2006), to return immediately to the six-party talks without precondition and engage in consultations on ways to implement the joint statement. His Government would continue to exert every possible effort to achieve the resumption of the six-party talks for the resolution of all issues through dialogue, while endeavouring to ensure the faithful implementation of Security Council resolution 1695.

The meeting rose at 1 p.m.