

IAEA Board of Governors  
Record of the 1103<sup>rd</sup> Meeting  
GOV/OR.1103

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Any other business- 1<sup>st</sup> statement

Any other business- 2<sup>nd</sup> statement

# Board of Governors

**GOV/OR.1103**

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## Record of the 1103<sup>rd</sup> Meeting

*Held at Headquarters, Vienna, on Friday, 18 June 2004, at 3.10 p.m.*

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[\*] GOV/2004/45.



## Attendance

(The list below gives the name of the senior member of each delegation who attended the meeting, as well as that of any other member whose statement is summarized in this record.)

Mr. NÚÑEZ GARCÍA-SAÚCO		Chairman (Spain)
Ms. KELLY	}	Argentina
Mr. PELÁEZ		
Ms. STOKES		Australia
Mr. JANSSENS DE BISTHOVEN		Belgium
Mr. VIEIRA DE SOUZA		Brazil
Ms. HALL		Canada
Mr. DENG Ge		China
Mr. CARRERA DORAL		Cuba
Mr. KLUCKÝ		Czech Republic
Ms. POULSEN		Denmark
Mr. RAMZY		Egypt
Mr. THIEBAUD		France
Mr. HONSOWITZ		Germany
Mr. HORVÁTH		Hungary
Mr. SREENIVASAN		India
Mr. DE CEGLIE	}	Italy
Mr. MASCIA		
Mr. TAKASU		Japan
Mr. Chang-beom CHO		Korea, Republic of
Mr. GULAM HANIFF		Malaysia
Ms. ESPINOSA CANTELLANO		Mexico
Mr. DE VISSER		Netherlands
Ms. BRIDGE		New Zealand
Mr. UMAR		Nigeria
Mr. BUTT		Pakistan
Ms. AZURÍN		Peru
Ms. WISZCZOR		Poland
Mr. BERDENNIKOV		Russian Federation
Mr. AL-TAIFI		Saudi Arabia
Mr. MINTY		South Africa
Mr. RUÍZ		Spain
Mr. KHALIL		Sudan
Ms. BEN AMOR MISSAOUI		Tunisia
Mr. JENKINS	}	United Kingdom of Great Britain and Northern Ireland
Mr. ANDREWS		
Mr. BRILL	}	United States of America
Mr. SEMMEL		
Mr. NGUYEN TRUONG GIANG		Vietnam
Mr. ELBARADEI		Director General
Mr. GOLDSCHMIDT		Deputy Director General, Department of Safeguards
Mr. ANING		Secretary of the Board

**Representatives of the following Member States attended the meeting:**

Albania, Algeria, Angola, Armenia, Austria, Azerbaijan, Belarus, Bolivia, Bulgaria, Burkina Faso, Cameroon, Chile, Colombia, Estonia, Finland, Greece, Islamic Republic of Iran, Ireland, Israel, Jordan, Kenya, Kuwait, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Mongolia, Morocco, Namibia, Norway, Paraguay, Philippines, Portugal, Romania, Serbia and Montenegro, Singapore, Slovakia, Sweden, Switzerland, Syrian Arab Republic, Turkey, Ukraine, United Arab Emirates, Uruguay, Zimbabwe.

**Abbreviations used in this record:**

APCs	assessed programme costs
G-8	Group of Eight
GTRI	Global Threat Reduction Initiative
HEU	high-enriched uranium
LEU	low-enriched uranium
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review and Extension Conference	Review and Extension Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
NSG	Nuclear Suppliers Group
PBC	Programme and Budget Committee
R&D	Research and development
SAGSI	Standing Advisory Group on Safeguards Implementation
TACC	Technical Assistance and Co-operation Committee
USDOE	United States Department of Energy
WMD	weapons of mass destruction

\* Speakers under Rule 50 of the Provisional Rules of Procedure are indicated by an asterisk

## 8. Nuclear verification

### (e) Implementation of the NPT safeguards agreement in the Islamic Republic of Iran: Report by the Director General (continued) (GOV/2004/34 and Corr.1, GOV/2004/49)

1. Mr. MINTY (South Africa) thanked the Director General for his comprehensive report, contained in document GOV/2004/34. South Africa was pleased to note that there were no new revelations about breaches or any undeclared activities related to Iran's nuclear programme.
2. With regard to the resolution adopted earlier in the day, contained in document GOV/2004/49, proposals had been made by NAM, as well as bilaterally by South Africa, to improve the language of operative paragraphs 7 and 8 to ensure that they reflected the mandate of the Board and maintained its integrity and credibility. South Africa recognized and supported the inalienable rights of all States, including Iran, to use the atom for peaceful purposes without discrimination, in accordance with Article IV and in conformity with Articles I, II and III of the NPT.
3. Ownership of the capabilities that could be used to develop nuclear weapons placed a special responsibility on the States concerned, especially those with full nuclear fuel cycles. The Agency had to be able to verify that all such capabilities were being used for peaceful purposes only, including through the mechanisms available under the additional protocol for strengthened safeguards. States also had to accept the responsibility for building confidence with the international community in order to remove any concerns about nuclear weapons proliferation, and that required transparency and full cooperation with the Agency.
4. In the case of Iran, South Africa noted that good progress had been made on the actions agreed to during the Director General's visit to Tehran in April 2004. His delegation welcomed Iran's submission of initial declarations pursuant to its additional protocol and the access it had granted to Agency inspectors at locations in Iran, including workshops at military sites. Also welcome was the fact that the Agency had been able to verify Iran's implementation of its decision to suspend enrichment-related and reprocessing activities, although that process had not yet been finalized.
5. However, South Africa noted the concerns expressed in the report in relation to the importation and fabrication of P-2 centrifuge components and the origin of contamination at Nantanz, the Kalaye Electric Company and Farayand Technique. Iran and other parties concerned should cooperate proactively with the Agency in providing the necessary clarification and support for the ongoing inspections.
6. Also, all other States with relevant information should proactively provide their prompt and full assistance to the Agency. The remaining questions about Iran's programme could then be clarified on a sound scientific basis and the matter concluded as early as possible.
7. Mr. BERDENNIKOV (Russian Federation) thanked the Director General for his latest report, which was informative, objective and well-balanced.
8. The Director General's visit to Tehran on 6 April 2004, during which mutual understanding had been reached on measures to resolve outstanding questions, had been instrumental in pushing ahead the process of investigating Iran's nuclear activities.

9. The Russian Federation agreed with the Director General's positive assessment of the cooperation extended by Iran in providing access to its enrichment-related facilities and in submitting its initial declarations pursuant to the additional protocol. The increasing transparency demonstrated by Iran would help the Agency to draw its final conclusions in the near future.

10. The Russian Federation had not objected to the adoption without a vote of the draft resolution on the implementation of the NPT safeguards agreement in Iran. The decisions taken by the Board had promoted the maximum cooperation between Iran and the Agency as proven by the good progress made in cooperation between Iran and the Agency since the previous session of the Board and the fact that no new elements of concern had been discovered. His delegation noted with satisfaction that most of the questions put to Iran had been clarified. The few outstanding problems should take only a few months to resolve.

11. He called on the Agency and Iran to work closely together with a view to closing the nuclear file on Iran. The resolution just adopted should be implemented in a constructive, responsible and measured manner such that all the outstanding questions received exhaustive answers.

12. Mr. JENKINS (United Kingdom) expressed appreciation for the work done by the Secretariat with respect to the Iran issue, as well as the Director General's efforts to secure full Iranian cooperation.

13. In the light of the latest report, the situation had not changed significantly since the Board's meetings in March. Although progress had been made, some of the issues discussed earlier remained unresolved and important new issues had arisen. There was therefore reason for continuing serious concern. Also, the pattern of engagement by Iran fell short of the complete and proactive cooperation called for by the Board.

14. Nevertheless, the United Kingdom welcomed such Iranian cooperation as had been reported by the Director General, including Iran's recent provision of the initial declarations pursuant to its additional protocol.

15. His country was pleased that the Secretariat had been able to begin verification of Iran's suspension of its enrichment-related and reprocessing activities, but regretted that there had been delays and that the suspension was not yet comprehensive. Complete suspension was essential if confidence was to be restored. Iran should extend its confidence-building measures by reconsidering, and hopefully reversing, its decision to proceed with the generation of UF<sub>6</sub> and to begin construction of a heavy water research reactor.

16. Iran should cooperate fully to satisfy the Secretariat and the Board about the extent and nature of its previously undeclared enrichment programme, especially such issues as the origin of the HEU and LEU contamination found at various locations in Iran and the extent of its efforts to import, manufacture and use P-2 centrifuges.

17. His country deplored the continued omissions in statements made by Iran and the postponement until mid-April of visits originally scheduled for mid-March. In future, cooperation should be complete and unqualified, and the Director General and the Board should be satisfied that all the facts about Iran's nuclear programme had been disclosed. In addition, all declarations made pursuant to Iran's additional protocol needed to be correct and complete.

18. There was still time for Iran to understand that concealment, delays, evasions and omissions — not to mention intimations of non-cooperation and of retreat from commitments as well as attacks on the professionalism and integrity of an institution cherished and admired by all — were not the best way of inspiring international confidence. A policy of too little too late was bound to be counter-productive.

19. Mr. VIEIRA DE SOUZA (Brazil) thanked the Director General for his report on Iran and took note of Iran's note verbale, contained in document INFCIRC/630, transmitting its comments thereon. It was of the utmost importance that the Secretariat's reports were comprehensive, objective and impartial because they provided the sole basis for the Board's appraisal of the issue and its subsequent decisions.
20. Brazil appreciated Iran's pragmatic response to the serious and legitimate concerns of the Board and the international community through signature and provisional application of its additional protocol.
21. The Iranian Government should cooperate promptly and fully with the Agency to clarify all the outstanding issues as soon as possible. That included granting access to locations and providing the Agency with any information it required in a spirit of transparency and cooperation.
22. Obligations under the NPT were binding on all States Party to the Treaty at all times. Strict compliance had to be observed in regard to both non-proliferation and disarmament obligations. At the same time, all States Party must respect the inalienable right of States to develop research, production and use of nuclear energy for peaceful purposes.
23. Mr. PELÁEZ (Argentina) commended the Agency's responsible and impartial work in monitoring and verifying international commitments to ensure the peaceful use of nuclear energy, which helped to maintain international security. It was important for the Agency to have a complete picture and be able to verify fully Iran's nuclear programme.
24. The Director General's latest report gave an account of the progress made since his visit to Tehran in April 2004, including Iran's voluntary application of the provisions of the additional protocol and its cooperative attitude in allowing inspections and the taking of samples. It also pointed out the need to clarify outstanding questions related to verification of the suspension of Iran's enrichment activities.
25. The course of action to be taken was detailed in the resolutions approved by the Board. Iran should continue to cooperate with the Agency by providing all the information required.
26. The item could not be removed from the agenda until the Director General provided the Board with the necessary assurances about the exclusively peaceful use of nuclear energy in Iran.
27. Mr. ŞAHİNBAŞ (Turkey)\* was also pleased to note the progress achieved in understanding the nature and scope of Iran's nuclear programme. Turkey strongly encouraged the Agency and Iran to continue their cooperation to resolve the outstanding issues.
28. Commending the Director General and his team on their tireless efforts to verify Iran's commitments under its safeguards agreement, he welcomed the fact that Iran had continued to act as if its additional protocol was in force and that it had recently submitted a declaration pursuant to that protocol. His delegation called on Iran to take a significant step in the right direction by ratifying that protocol as soon as possible.
29. The DIRECTOR GENERAL thanked the members of the Board for their unanimous support of the resolution on implementation of the NPT safeguards agreement in Iran and their expressions of confidence in the Secretariat's impartiality, including that made by the delegation of Iran.
30. The resolution not only looked forward to the means for completing the tasks ahead but also clearly registered the steady progress that had been made in a number of areas. The fact that there had been no new revelations was another sign of progress. However, Iran and other involved States would have to cooperate fully with the Agency in the coming months, notably regarding contamination. The



information the Agency had received from Iran on the P-2 centrifuge issue had unfortunately arrived only after submission of the report and there had been no time to assess it. He hoped that it would be comprehensive and accurate.

31. The file on Iran could be brought to a close within the next few months, but this needed the full cooperation of Iran with the Agency, giving it access to the sites that it needed to inspect. The restoration of confidence in Iran would require extremely meticulous and systematic work on the part of the Secretariat in order to understand every aspect of its nuclear programme. In particular, the Agency needed to be sure that Iran had declared all of its enrichment activities. It would need satisfactory answers to all outstanding questions before it could provide assurances that Iran's programmes were dedicated solely to peaceful purposes. Even questions about procurement that had not taken place were a cause for concern, as, for example, an interest in procuring 100 000 magnets, which was not consistent with an R&D programme.

32. The problem faced by the Agency on many such issues was a lack of documentation. It could not rely on oral statements alone, which were sometimes subject to misinterpretation. Comprehensive and accurate written documents were necessary for the Agency to move forward, especially regarding the P-2 centrifuge issue and laser enrichment levels. With regard to the latter, the Agency had at first been informed that there were no documents in existence, only to discover subsequently that documents were available and, what was more, samples had gone outside the country. That pattern of behaviour had to change. As he had pointed out to Iran on several occasions, Agency questions required comprehensive, accurate and prompt written answers.

33. While acknowledging Iran's cooperation in many areas, the resolution just adopted spelled out the need for accelerated, proactive, transparent and comprehensive cooperation by Iran so that the Agency could complete its work. He hoped that message would be heard clearly in Iran and that he would be working closely with the Agency's Iranian colleagues over the coming months to resolve the outstanding issues as soon as possible. The Agency simply could not afford to allow the Iran file to drag on from one Board to another.

34. For the time being the jury was still out. The Agency was not able to certify either that Iran's programme was exclusively for peaceful purposes or that it had a military component. He hoped that Iran would respond with a sense of urgency to the concerns of the international community.

35. After a discussion involving Mr. HOSSEINI (Iran)\*, Mr. BRILL (United States of America), Mr. BERDENNIKOV (Russian Federation) and the DIRECTOR GENERAL about the desirability of publishing on the Agency's website selected statements pertaining to the agenda item under discussion, the CHAIRMAN proposed that the Director General's report, contained in document GOV/2004/34, be published on the Agency's website but that national statements should not be published.

36. It was so decided.

## 12. Any other business

37. Mr. GULAM HANIFF (Malaysia), speaking on behalf of NAM States Party to the NPT, said that those countries had endeavoured to give their fullest commitment and cooperation towards achieving a successful outcome of the third session of the Preparatory Committee for the 2005 NPT Review Conference. That meeting's mandate was to produce a consensus report containing recommendations to the 2005 Review Conference, taking into account the deliberations and results of its previous sessions. In that spirit, the NAM States Party to the NPT had submitted substantive recommendations to the Preparatory Committee on the implementation and operation of the Treaty and on procedural matters.

38. The NAM States Party to the NPT felt strongly that the issue of nuclear disarmament, which formed one of the three pillars of the Treaty, had not been adequately addressed. That could weaken the other two pillars, thereby undermining the continued relevance of the Treaty to international peace and security.

39. It was important to recall the fundamental bargain struck in the NPT, whereby non-nuclear-weapon States Party were assured of their basic and inalienable right to develop atomic energy for peaceful purposes in exchange for forfeiting any right to nuclear arms. On the other hand, the nuclear-weapon States Party to the Treaty were obliged to pursue negotiations in good faith on effective measures relating to the early cessation of the nuclear arms race, nuclear disarmament and a treaty on general and complete disarmament under strict and effective international control. However, very little progress had been made. Deliberations in recent years, including at the Preparatory Committee, had often been more focused on increasing the verification responsibilities of non-nuclear-weapon States and attempting to place conditions on their rights of access to peaceful nuclear technology, without any commensurate increase in commitment to nuclear disarmament by the nuclear-weapon States.

40. NAM called on the nuclear-weapon States to fulfil the unequivocal commitment they had made at the 2000 NPT Review Conference to eliminate their nuclear arsenals with a view to nuclear disarmament. An accelerated process of negotiations and full implementation of the 13 steps for disarmament agreed upon at that Conference were needed to advance systematically and progressively towards a nuclear-weapon-free world.

41. The success of the 2005 NPT Review Conference would depend not only on the spirit of cooperation and compromise among all States Party but also, and more importantly, on their strong commitment and political will towards ensuring full adherence to the NPT and the implementation of the recommendations and decisions made at past Review Conferences. All had implications on the Agency's role.

42. The NAM States Party to the NPT also welcomed the endorsement of Ambassador Sergio de Queiroz Duarte of Brazil as President of the 2005 Review Conference.

43. Mr. CARRERA DORAL (Cuba), endorsing the statement made by the previous speaker, said that the Agency's work was greatly affected by the level of implementation of the NPT. That instrument was imperfect and discriminatory because its three pillars — disarmament, non-proliferation and the inalienable right of States to use nuclear energy for peaceful purposes — were not being implemented equally. The lack of balance had been revealed at the third Preparatory Committee session for the 2005 NPT Review Conference where a small number of States had refused to include disarmament on the agenda. Continued selective implementation of the NPT would have

only negative repercussions for international peace and security. Cuba favoured a universal regime of comprehensive, unconditional and verifiable disarmament.

44. Mr. TAKASU (Japan) said that the recent G-8 summit on Sea Island had discussed measures to strengthen the non-proliferation regime and adopted an action plan on non-proliferation. The G-8 States had agreed to enhance the Agency's integrity and effectiveness, and strengthen its ability to ensure that nations complied with their NPT obligations and safeguards agreements. The G-8 leaders had decided to work together towards establishing a new special committee of the Board of Governors which would be responsible for preparing a comprehensive plan for strengthened safeguards and verification. Japan looked forward to constructive discussions on that matter in due course.

45. Among the many important measures to strengthen the Agency's verification capacity mentioned by the Director General in his introductory statement had been his initiative to set up an expert group to consider possible multinational approaches to the nuclear fuel cycle. Japan fully shared the Director General's view that the most proliferation-sensitive parts of that cycle could be the 'Achilles' heel' of the nuclear non-proliferation regime. It welcomed the initiative and looked forward to fruitful discussions in that forum. The outcome should provide good input for both Board discussions and the 2005 NPT Review Conference.

46. In that connection, any multinational approach should be feasible, effective and based on a realistic appraisal of the issues to be addressed. The expert group must make a careful assessment of recent proliferation cases and of the problems to be solved. The main challenges derived from undeclared nuclear activities and the procurement of sensitive nuclear materials, equipment and technology from illicit trafficking networks. An essential tool in facing them was the authority given to the Agency by the additional protocol, universalization of which should be a priority.

47. Discussions of any new global framework to strengthen the international non-proliferation regime should give careful consideration to the right of the non-nuclear-weapon States Party to the NPT to use nuclear energy for peaceful purposes, and that there was no interference with legitimate nuclear activities. Also, the basic principles of the G-8 action plan on non-proliferation should be borne in mind.

48. Mr. RAMZY (Egypt), having underlined the importance of the NPT for international peace and security, said that the international community had made some progress in terms of nuclear non-proliferation, but that nuclear disarmament and the universality of the NPT remained elusive. Efforts needed to be made to improve that situation while maintaining a balance between States' rights and obligations under the Treaty.

49. Egypt had been an active participant at the third Preparatory Committee session for the 2005 NPT Review Conference and was disappointed that no objective conclusions had been reached. Strategic developments in the field of nuclear technology had increased the likelihood that nuclear weapons might be used. The nuclear-weapon States' failure to meet their disarmament obligations through the 13 steps agreed upon at the 2000 Review Conference threatened the credibility of the NPT review process. The growing tendency to focus on nuclear weapons proliferation was adversely affecting the required balance between the Treaty's non-proliferation and its disarmament obligations. The 1995 and 2000 Review Conferences had accorded the Middle East a special status in view of its sensitive security situation. The fact that one State in the region, Israel, had not ratified the NPT had negative implications for its credibility. The accession of Israel to the NPT would be an important step towards creating a nuclear-weapon-free zone in the Middle East and was essential to the establishment of a security framework there. He therefore appealed to the international community to honour its commitments to promoting security and balance in that region, independent of linkages to other issues.

50. Despite the shortcomings in the outcome of the third Preparatory Committee session, Egypt hoped that the international community would rearrange its priorities to confront the challenges to the non-proliferation regime, so that it could continue to pursue its commitment to disarmament and non-proliferation while recognizing States' right to use nuclear energy for peaceful purposes, and to achieving the universality of the NPT while paying particular attention to the Middle East.

51. Egypt was looking forward to the 2005 NPT Review Conference and hoped that it would provide an opportunity for States Party to support the crucial role played by the NPT in the non-proliferation regime. It would be important to renew the commitment to reciprocal Treaty obligations, particularly those relating to nuclear disarmament and to maintaining the peaceful use of nuclear energy. The Agency's status and role should be strengthened in view of the crucial role it played in those areas. Proposals in that connection should be consistent with the Statute and maintain the balance among the Agency's major activities.

52. Mr. SEMMEL (United States of America) recalled that earlier in the year he had outlined President Bush's vision for strengthening the non-proliferation regime and combating WMD<sup>1</sup>. Translating that vision into action would require promotion of the additional protocol in order to strengthen the NPT and to provide the Agency with an essential tool to discharge its responsibilities to confirm the absence of undeclared nuclear materials and activities in a State. The G-8 leaders had agreed the previous week at the Sea Island Summit to seek universal adherence to comprehensive safeguards agreements and the additional protocol, and that the protocol must become an essential new standard in the field of nuclear supply arrangements. The G-8 aimed to strengthen NSG guidelines accordingly by the end of 2005. The United States of America, for its part, would seek to make the additional protocol a condition of nuclear supply within the NSG.

53. President Bush had also proposed the creation of a new Agency special committee on safeguards to address more effectively serious safeguards violations and the international black market nuclear network. The G-8 leaders had also endorsed that concept at their recent Summit, saying that it would enhance the Agency's integrity and effectiveness, and strengthen its ability to ensure that nations complied with their NPT obligations and safeguards agreements. The proposed committee would be responsible for preparing and submitting to the Board of Governors a comprehensive plan for strengthened safeguards and verification. There was no intention that the committee should oversee the day-to-day operations of the Department of Safeguards or that it should replace or duplicate the work of the SAGSI. Nor would it be responsible for making decisions or determining policy concerning the export of nuclear and nuclear-related commodities and technology. Like the PBC and the TACC, the special committee would make recommendations to the Board and have no authority independent of the Board. His country hoped that the Board would establish the committee already in 2004. His delegation welcomed other delegations' views on the proposed committee's terms of reference.

54. Countries under investigation by the Agency for having failed to comply with their safeguards obligations should not be members of the Board or the special committee. The G-8 leaders had endorsed the principle that countries under investigation for non-technical violations of their nuclear non-proliferation and safeguards obligations should elect not to participate in decisions by the Agency Board of Governors or the special committee regarding their own cases. In that context, the phrase "under investigation" should be understood to refer to any Member State that was the subject of a Chairman's summary or a Board resolution or statement that cited safeguards failings and called on the State to rectify those failings and on the Director General to report back to the Board. As such, the principle was in line with the Board's effort to reach decisions by consensus. States' agreement not to

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<sup>1</sup> See document GOV/OR.1094, para. 214.

participate in decisions by the Board or the special committee regarding their own cases would not deny them the right to speak on their own behalf during meetings of the Board. Also, the principle would not apply to those which were merely in technical non-compliance. The United States encouraged all Member States to make public statements supporting the principle that States breaking the rules should not be in a position to enforce them.

55. The United States Secretary of Energy had announced the Global Threat Reduction Initiative (GTRI) on May 26. Under that Initiative, high-risk nuclear and other radioactive materials around the world that posed a threat to the international community would be secured, removed or disposed of. The GTRI aimed to identify and address the gaps in existing threat reduction programmes and to accelerate all efforts to secure, recover or permanently dispose of the aforementioned materials. The USDOE was currently discussing that new Initiative with the Agency. A partners' conference, facilitated by the Agency, was planned for the autumn to build international commitment to GTRI objectives and to solicit contributions towards that effort.

56. The Board was responsible for ensuring that the Agency had all the tools it needed to fulfil its mandate. He believed that the United States proposals would enhance the Agency's capacity to promote non-proliferation and urged members to work together to advance that goal.

57. Ms. HALL (Canada) said, in view of the number of challenges to the global non-proliferation regime over the past two years and the considerable amount of time the Board had spent considering verification issues on a case-by-case basis, there was a need to look at the lessons learned to consider possible improvements to the Agency's safeguards and verification programme.

58. Canada fully supported the G-8 Sea Island Summit statement on nuclear non-proliferation. It included ideas that needed further discussion among Board members and she looked forward to that when appropriate.

59. Concerning the proposed new committee of the Board on safeguards and verification, she said it should focus on broad policy issues and avoid any duplication of the work of SAGSI.

60. Mr. MASCIA (Italy), having said that his country had participated actively in the elaboration of the G-8 action plan on nuclear non-proliferation, urged Board members actively to pursue the goal of universal acceptance of the additional protocol as the international standard in verification and an essential tool for the Agency.

61. Italy supported the establishment of a special committee on safeguards, responsible for preparing and submitting a comprehensive plan for strengthening verification. Its role should be limited to providing advice and recommendations to the Board. He expressed the hope that the Board would examine the various aspects related to its establishment, such as its terms of reference, composition and duration, as soon as possible.

62. Mr. THIEBAUD (France), also stressing that the additional protocol was an essential tool for strengthening the non-proliferation regime, endorsed all efforts towards universal acceptance of it. France had always contributed actively to such efforts. In that connection, at their recent Sea Island Summit, the G-8 had confirmed its commitment to promoting the protocol and to strengthening its role within the non-proliferation regime.

63. The G-8 had also expressed support for the creation of a special committee of the Board to strengthen safeguards and verification. France felt that all Member States should be consulted on that committee's terms of reference. The committee should not intervene in the implementation of safeguards agreements because that was the role of the Secretariat and must be independent and impartial if the non-proliferation regime were to be credible and multilateral. Nor should the committee duplicate the work of other committees, such as SAGSI. The establishment of a special

committee for a limited time seemed to be an appropriate solution to tackling the new challenges facing the safeguards regime.

64. Strengthening the non-proliferation regime was in the interests of all. Improving the safeguards system was a sine qua non for promoting cooperation in the peaceful uses of nuclear energy as laid down in Article IV of the NPT.

65. Mr. ANDREWS (United Kingdom) said that the new special committee of the Board on safeguards and verification could be a valuable forum for addressing possible ways of strengthening the Agency's capacity and ensuring that nations complied with their international obligations. The United Kingdom looked forward to working with other members of the Board and the Secretariat to develop a proposal which would command consensus.

66. The role of that committee should be to provide strategic advice to the Board on the development of policy without extending into operational matters, or duplicating or conflicting with the work of existing institutions. The committee should be given a specific initial mandate aimed at delivering practical proposals within a reasonable timescale and it should not divert resources, either financial or management, from existing safeguards activities.

67. Mr. GULAM HANIFF (Malaysia), speaking on behalf of NAM, said that more work was required before the issues involved in the complex matter of the proposal to establish a special committee could be considered by the Board. As always, NAM was prepared to work with others on the issue, in accordance with the Statute and bearing in mind the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes.

68. Mr. MINTY (South Africa) recalled that the fundamental bargain struck during the negotiation of the NPT had been a reciprocal undertaking vis-à-vis the inextricably linked objectives of nuclear non-proliferation and disarmament. On the one hand, the non-nuclear-weapon States, in foregoing and not aspiring to nuclear weapons retained the inalienable right to use the atom for peaceful purposes. On the other, the nuclear-weapon States undertook to eliminate their nuclear arsenals. The collective and solemn objective was to abolish all nuclear weapons, thus eliminating a major threat to international peace and security.

69. South Africa had eliminated its nuclear weapons and acceded to the NPT during its democratic transformation. At the 1995 NPT Review and Extension Conference, South Africa had played a pivotal role in ensuring that the Treaty was not only extended indefinitely, but also incorporated an accountability mechanism through adoption of the decisions on the "Principles and objectives for nuclear non-proliferation and disarmament" and "Strengthening the review process for the Treaty" to ensure that the provisions and obligations in the Treaty were realized. That had reflected yet another bargain, namely to extend the treaty indefinitely and to accelerate the process of nuclear disarmament with the objective of the total elimination of all nuclear weapons.

70. South Africa had again played an important role, through the New Agenda Coalition, in securing a consensus agreement at the 2000 NPT Review Conference on the unequivocal undertaking by the nuclear-weapon States to accomplish the total elimination of their nuclear arsenals leading to nuclear disarmament, to which all States party were committed under Article VI. At the same time, both the nuclear- and non-nuclear-weapon States had agreed to implement the 13 steps for systematic and progressive efforts to eliminate nuclear weapons. South Africa was therefore disappointed with the outcome of the recent third Preparatory Committee session for the 2005 NPT Review Conference.

71. South Africa's Minister of Foreign Affairs had reaffirmed that the very existence of WMD constituted a major threat to humanity and that relevant concerns should be addressed within the established specialist structures and, where necessary, the existing instruments and machinery should

be strengthened. Those who possessed nuclear arsenals must begin a committed step-by-step process towards their elimination. Therefore, his country attached great importance to the NPT. It would continue to work on the basis of principle and in accordance with international law and multilateral treaties and agreements.

72. His delegation was concerned that some States Party to the NPT were attempting to postpone or negate agreements they had made. That approach should be resisted at all times. It was important to recognize that progress on both the non-proliferation and the disarmament fronts was required to obtain a world free of the scourge of nuclear weapons. The Treaty must be implemented in all its aspects without favour or prejudice ensuring that a balance was maintained.

73. Another matter for concern was that some nuclear-weapon States were continuing to undertake research on new types of nuclear weapon. The only real guarantee against the use of such weapons was their complete elimination and the assurance that they would never be produced again.

74. South Africa was committed to a successful outcome of the 2005 NPT Review Conference and would work relentlessly to that end. He urged all other NPT States Party to cooperate in strengthening the Treaty. Recent revelations about the existence of an international trading and smuggling network for technology, material and equipment that could be used for the development of nuclear weapons represented a serious challenge to the NPT regime and needed to be addressed. A successful outcome of the 2005 Review Conference would help to strengthen the work of the Agency in fulfilling its statutory mandate.

75. Mr. BERDENNIKOV (Russian Federation) expressed support for the idea of the establishment of a special Board committee to prepare a plan for the strengthening of safeguards. His delegation was already working together with the delegations of other Board members on defining terms of reference for such a body.

76. Mr. HONSOWITZ (Germany) said that the idea of the establishment of a special Board committee on safeguards was interesting and deserved careful consideration. His delegation stood ready to work together with other delegations in seeking a positive outcome of the initiative in question.

77. The terms of reference of the envisaged committee should make it clear whether the committee was to be a permanent one or be established for a limited period only. Either way, his delegation believed that that aspect of the terms of reference should be reviewed after two years.

78. Also, care should be taken to ensure that the tasks of the committee did not overlap with those of SAGSI and that the committee did not intervene in the day-to-day operations of the Department of Safeguards. Other questions which would have to be settled included whether the membership of the committee would — as was normal for the Board — be open-ended, and whether its tasks should be strictly technical, or also cover policy issues. That having been said, his delegation was confident that the Board would consider all aspects of the idea carefully at its next session.

79. Mr. Chang-beom CHO (Republic of Korea) shared the view that, given the current unprecedented challenges to the nuclear non-proliferation regime, with recurring cases of serious safeguards violations and the discovery of an international nuclear black market network, it was time to develop more comprehensive and long-term strategies for countering those challenges, and to strengthen the structure of the Agency and increase the effectiveness of its safeguards system.

80. His delegation therefore welcomed the initiative of the United States and the other G-8 members aimed at universal conclusion of comprehensive Agency safeguards agreements and additional protocols.

81. It also welcomed the idea of establishing a special safeguards committee that would give the Agency greater leverage in its efforts to ensure the compliance of States with their nuclear non-proliferation obligations. Such a committee could help to increase the efficiency and effectiveness of the Board in the safeguards area and hence the ability of the Agency to fulfil its mandate. His delegation looked forward to constructive consultations with other delegations regarding the committee's terms of reference.

82. Ms. STOKES (Australia) said that Member States needed to consider whether the present tools and mechanisms for countering the challenges to the nuclear non-proliferation regime were adequate. There was no room for complacency. Her delegation therefore welcomed the action plan on non-proliferation agreed by the G-8 leaders at their recent Sea Island Summit. It also welcomed the appointment by the Director General of an international expert group to consider possible multinational approaches to the front and back ends of the nuclear fuel cycle.

83. Her delegation, which looked forward to participating in consultations among Board members on the establishment of a special committee on safeguards, believed that a major objective of those consultations should be to ensure that the committee usefully complemented existing mechanisms.

## – Tributes

84. The CHAIRMAN, having recalled that the Board had bid farewell to Ambassador Paulinich Velarde of Peru on Tuesday, bid farewell to Ambassador Sreenivasan of India, who had, with wisdom, good humour and considerable diplomatic skills, helped to deal with several complicated issues, such as that of APCs, and to Mr. O'Shea of the United Kingdom, who had, within a relatively short time, made a substantial contribution to the work of the Board.

85. Also leaving Vienna was Ambassador Brill of the United States of America, who had, with eloquence and acute insights, played a very effective role in the Board's work during the past three years, and Ambassador Ramaker of the Netherlands, who had likewise served with distinction on the Board.

86. Among the Resident Representatives leaving were Ambassador Vacek of the Czech Republic, who had skilfully helped in the examination of such issues as the rate of attainment mechanism, Ambassador Murphy of Ireland, Ambassador Touq of Jordan and Ambassador Reimann of Switzerland.

87. Also leaving Permanent Missions in Vienna were Mr. Mason of Australia, Mr. Kirwan of Ireland and Mr. Augustine, Mr. Connors, Ms. Oxley, Ms. Freese and Mr. Goldman of the United States of America.

88. To all the persons mentioned he wished the very best for the future.

**The meeting rose at 4.45 p.m.**