

IAEA Board of Governors
Record of the 1106th Meeting
GOV/OR.1106

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Nuclear Verification

(a) The conclusion of safeguards agreements and of additional protocols

Nuclear Verification

(c) Implementation of the NPT safeguards agreement of the Socialist People's
Libyan Arab Jamahiriya: Report by the Direct General

Board of Governors

GOV/OR.1106

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Record of the 1106th Meeting

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[*] GOV/2004/71.

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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
Ms. STOKES		Australia
Mr. NIEUWENHUYS		Belgium
Mr. VIEIRA DE SOUZA		Brazil
Ms. HALL	}	Canada
Mr. PROUDFOOT		
Mr. ZHANG Yan		China
Mr. CARRERA DORAL		Cuba
Ms. DRÁBOVÁ		Czech Republic
Mr. CHRISTENSEN		Denmark
Mr. RAMZY		Egypt
Mr. THIEBAUD	}	France
Mr. MOURLON		
Mr. HONSOWITZ		Germany
Mr. RÓNAKY		Hungary
Mr. SHARMA		India
Mr. DE CEGLIE		Italy
Mr. TAKASU		Japan
Mr. Chang-beom CHO		Korea, Republic of
Mr. GULAM HANIFF		Malaysia
Ms. ROSAS		Mexico
Mr. DE VISSER	}	Netherlands
Mr. KOP		
Ms. BRIDGE		New Zealand
Mr. UMAR		Nigeria
Mr. BUTT		Pakistan
Mr. PORTUGAL		Peru
Mr. NIEWODNICZAŃSKI		Poland
Mr. BERDENNIKOV	}	Russian Federation
Mr. KUCHINOV		
Mr. KURDI		Saudi Arabia
Mr. MINTY		South Africa
Mr. RUÍZ		Spain
Mr. AHMAD		Sudan
Ms. BEN AMOR MISSAOUI		Tunisia
Mr. WRIGHT		United Kingdom of Great Britain and Northern Ireland
Mr. SEMMEL		United States of America
Mr. NGUYEN TRUONG GIANG	_____	Vietnam

Attendance (continued)

Mr. ELBARADEI	Director General
Ms. CETTO	Deputy Director General, Department of Technical Cooperation
Mr. WALLER	Deputy Director General, Department of Management
Mr. CSERVENY	Director, Office of External Relations and Policy Coordination
Mr. ANING	Secretary of the Board

Representatives of the following Member States attended the meeting:

Albania, Algeria, Angola, Austria, Azerbaijan, Belarus, Bulgaria, Burkina Faso, Chile, Colombia, Croatia, Ecuador, Estonia, Ethiopia, Finland, Holy See, Iceland, Islamic Republic of Iran, Iraq, Ireland, Israel, Kenya, Kuwait, Latvia, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Morocco, Namibia, Norway, Paraguay, Portugal, Romania, Serbia and Montenegro, Singapore, Slovakia, Slovenia, Sri Lanka, Sweden, Switzerland, Syrian Arab Republic, Thailand, Turkey, United Arab Emirates, Uruguay, Venezuela, Yemen.

Abbreviations used in this record:

Agreed Framework	Agreed Framework between the United States of America and the Democratic People's Republic of Korea
APCs	assessed programme costs
DPRK	Democratic People's Republic of Korea
GUAM	Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova
NAM	Non-Aligned Movement
NPCs	national participation costs
NPT	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
NWFZ	nuclear-weapon-free zone
Pelindaba Treaty	African Nuclear-Weapon-Free Zone Treaty
TACC	Technical Assistance and Cooperation Committee
TCF	Technical Cooperation Fund
UNOV	United Nations Office at Vienna
VIC	Vienna International Centre
WMD	weapons of mass destruction

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

6. Technical cooperation (continued)

(a) Technical Cooperation Fund target for 2005 (GOV/2004/69)

(b) Implications of harmonizing the regular programme and the technical cooperation programme cycles (GOV/INF/2004/6)

1. Mr. THIEBAUD (France) emphasized the importance of a clear definition of Member States' needs and a balance between the technical cooperation projects approved and the funds provided for their implementation. The proposed TCF target for 2005 and 2006 of US \$77.5 million had been chosen as the optimum level to ensure implementation of the projects approved by TACC in November 2003. However, with more than 50 countries still not contributing anything to the Fund and 20 others not paying their shares of the target in full, setting increases indefinitely was likely to be counterproductive and to discourage those countries that were consistent contributors. It was essential that all Member States paid their contributions in full and on time so as to make the resources of the TCF as predictable as possible for the sake of efficient and responsible operations. France had always paid its share in full and therefore urged all other Member States to do the same.
2. With those remarks, he approved the TCF target proposed in document GOV/2004/69 and recommended that it be communicated to the General Conference.
3. Mr. SHAHBAZOV (Azerbaijan)*, speaking on behalf of the GUUAM countries Georgia, Ukraine, Azerbaijan and Moldova, noted the External Auditor's opinion regarding the lack of alignment of the technical cooperation programme and regular programme cycles. Although harmonizing the cycles could have certain advantages, the specific adjustments to planning and approval procedures and schedules that would be required would affect not only the Secretariat, but also national procedures for the preparation, coordination and approval of technical cooperation project requests. A possible decision by the Board to recommend synchronization in 2008 was therefore a sensitive issue, especially for recipient States, and should be given careful consideration, taking into account all the implications, including the financial ones.
4. GUUAM agreed with the Secretariat's conclusion regarding the need for appropriate performance indicators and wished to reiterate the suggestion made to the Board in June 2004 that the practice of preparing performance reports be expanded to the technical cooperation programme. That would provide performance indicators which would assist in the evaluation of implementation and in appropriate decision-making.
5. GUUAM continued to believe that the introduction of NPCs to replace APCs might have consequences for the technical cooperation programme which had not been taken into account; it hoped that the Board's decision in that regard would not hamper the commencement of project implementation in 2005–2006 and would not have a negative impact on technical cooperation activities as a whole.
6. In conclusion, GUUAM expressed its support for the proposals in document GOV/2004/69.
7. Mr. EL FASSI (Morocco)* also endorsed the targets proposed for 2005–2006, although the figures continued to fall short of the expectations and needs of developing countries. He hoped that the position of those countries would be given more weight when it came to discussing the TCF targets for

2007–2008 so that the TCF would be better able to meet the growing need for technical cooperation in areas as fundamental as human health, the management of water resources, the environment and radiation safety. He appealed to Member States to honour their financial commitments so as to make technical cooperation resources more adequate and predictable and called on the Secretariat to show flexibility in the application of the new formula for calculating the NPCs.

8. Ms. CETTO (Deputy Director General for Technical Cooperation) expressed her appreciation to the Co-Chairs and members of the working group on the TCF targets and rate of attainment mechanism. In addition to the proposals presented in document GOV/2004/69, the working group had agreed that the target rate of attainment should be maintained at the level of 90% for 2005 and that the issue should be reconsidered once that rate was achieved. The actual rate of attainment had been rising over the previous three years, and the 90% level could be exceeded in 2005 if Member States paid their target shares in full and on time. The level of pledges to the TCF for 2004 was still only 65.4%, and the actual rate of attainment was 63.4%. However, information recently received indicated that further contributions to the TCF could be expected to bring the rate closer to 90% in 2004. That news made it possible to proceed with confidence towards the completion of the year's technical cooperation programme activities as planned. Clearly it was important that Member States provided early information to the Secretariat as to their intentions regarding their TCF contributions.

9. The issue was not solely financial, nor did it depend on a few large contributions; it related to the shared responsibility of all Member States to ensure a robust technical cooperation programme. Member States had repeatedly shown their interest in a strengthened programme, and the increased TCF target of \$77.5 million was further evidence of Member States' support.

10. The two major differences between NPCs and the APCs they would replace were that the NPCs would be assessed at 5%, rather than 8%, and that at least half the assessed NPCs must be paid before the implementation of projects could commence. Letters were being sent out which described how NPCs would be implemented, and delegations would be informed about the approximate level of NPCs for 2005 in bilateral meetings during the forthcoming session of the General Conference. Member States facing an impediment to pay by January 2005 should inform the Secretariat in writing as soon as possible, specifying when the payment would be made and the reason for the delay.

11. With regard to bringing the technical cooperation cycle into line with the regular programme cycle, harmonization would mean that the three stages of the cycle of both programmes — planning, implementation and reporting — would cover the same time period with a process specific to each of the two programmes. Adjustments would have to be made to the planning and approval procedure and schedules for both cycles because of the necessary linkages between the two programmes and the two budgets. It was important that the technical cooperation programme planning cycle should maintain a similar schedule to the present one, as major changes to it could have a seriously negative impact on the programming process.

12. A number of Member States had indicated that the implications of such a synchronization should be examined very carefully, and that the proposal should only be adopted if there were clear benefits to be gained. The Secretariat would provide further information for the TACC meeting in November, as requested.

13. She believed that the technical cooperation programme for the coming biennium was again improved, with more focused projects having clearly stated objectives. It had been formulated on the basis of various mechanisms, including Country Programme Frameworks, upstream planning and pre-project assistance. In line with the Technical Cooperation Strategy, close attention had been paid to the central criterion, tangible benefits, sustainability of impact, potential funding of footnote-a/ components and increased national participation and government cost-sharing — all of which were

part of careful project identification, formulation and appraisal and supported Member States in establishing priorities for projects that responded to specific development issues in a sustainable manner.

14. The CHAIRMAN, summing up the discussion, said that, with regard to sub-item 6(a), the Board had expressed its appreciation to the working group on the TCF targets and the rate of attainment mechanism and the efforts exerted by the Co-Chairs to reach an agreed compromise on the matter. Several members had noted that technical cooperation activities were an integral component of the Agency's mandate under its Statute, and that balance should be maintained among the three pillars of the Agency's activities.

15. The need for adequate, predictable and assured funding of the technical cooperation programme had been emphasized. The Board had called on all Member States — donors and recipients alike — to demonstrate their commitment to the programme by pledging and paying on time and in full their TCF target shares and national participation costs.

16. He took it that the Board wished to approve the Co-Chairs' proposal as contained in Section B of document GOV/2004/69.

17. It was so decided.

18. The CHAIRMAN also took it that the Board agreed to maintain the target rate of attainment at 90% until that rate had been achieved, noting that the Board had already decided at its meetings in June 2004¹ to review the mechanism in 2007.

19. It was so decided.

20. With regard to sub-item 6(b), the CHAIRMAN said that several members had underlined the importance of harmonizing the regular programme and the technical cooperation programme cycles. Several members had expressed the view that further information was needed and further consultations were required before a decision could be taken.

21. He asked whether the Board wished the Secretariat to provide further information to Member States in that regard, with a view to a decision being taken on the matter after the forthcoming TACC meeting in November.

22. It was so agreed.

7. The Agency's budget for 2004 — supplementary appropriation (GOV/2004/58, GOV/INF/2004/7)

23. The CHAIRMAN said that in document GOV/2004/58, the Board was requested to recommend a supplementary appropriation to the Regular Budget for 2004 to cover the Agency's share of the immediate budgetary requirements for new security enhancements at the VIC and at the Agency's offices and laboratories outside Vienna.

¹ See document GOV/OR.1097, para. 160.

24. The Board also had before it, in document GOV/INF/2004/7, a progress report on acceptance by Member States of the amendment to Article XIV.A of the Statute which the General Conference had approved in 1999 to permit biennial budgeting.

25. Mr. WALLER (Deputy Director General for Management) said that the bombing of the United Nations headquarters in Baghdad in August 2003 had removed any doubt that United Nations-related facilities might be the target of deadly malicious acts. The ensuing intense review conducted by the United Nations Security and Safety Services Network had led to the establishment of the United Nations Headquarters-Minimum Operating Security Standards (H-MOSS).

26. The Vienna-based organizations had been working to bring security at the VIC into conformity with H-MOSS as soon as possible: the measures taken were intended to maximize the protection of staff, Member State representatives, meeting participants and other visitors, as well as to prevent disruption of programme implementation. Understandably, the need for security upgrades had not been anticipated in 2003 during the consultation process with Member States that had led to the approval of the Agency's budget for 2004; it was therefore necessary to consider supplementary funding.

27. A detailed joint presentation on the background and status of the new security measures had been given recently to Member State representatives by the Secretariats of the four VIC-based organizations. However, he wished to recall briefly the sequence of events that had necessitated the submission to the Board of the proposal for a supplementary appropriation. As required by United Nations Headquarters in New York, UNOV, the United Nations office in Vienna which was responsible for the security of the VIC, had submitted to the United Nations in New York in February 2004 cost estimates for the various initial measures needing to be taken for H-MOSS conformity. All other United Nations headquarters duty stations had made corresponding submissions. The Secretary-General had used those submissions in formulating his United Nations system-wide proposal to the General Assembly for initial measures, which had been approved by the General Assembly in May 2004 — and had included measures for the VIC totalling \$8.4 million. UNOV's share of that amount, \$1.9 million, had been appropriated by the General Assembly and had since been received in Vienna. The Agency's 53% share amounted to approximately \$4.3 million. The remaining \$0.5 million of the \$4.8 million that was being sought in the proposal now before the Board was for initial security enhancements at the Agency's offices and laboratories outside Vienna.

28. As the cost of Phase I of the security enhancement measures had already been approved by the General Assembly, it only remained for the Agency to determine how it was to fund its share of the costs. If the proposal of a supplementary appropriation for 2004 was favourably recommended by the Board to the General Conference, approval would be sought at the forthcoming 48th session of the Conference.

29. A further General Assembly-mandated review to determine all additional security measures necessary to achieve H-MOSS compliance had been initiated by all United Nations headquarters duty stations in May 2004. With respect to Vienna, Phase II submissions had been provided by UNOV to New York in July 2004 and were under consideration by the Secretary-General; his proposal would be considered by the General Assembly later in 2004. UNOV had requested that Phase II be centrally funded from the United Nations in New York as part of a United Nations-wide security enhancement budget. However, if that option was not approved, the Agency's Secretariat would have to submit a further supplementary appropriation to the Board in 2005 relating to that year. That supplementary appropriation would also include additional requirements necessary for the security of the Agency's offices and laboratories outside Vienna.

30. Mr. KOP (Netherlands), speaking on behalf of the European Union and of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Iceland, Liechtenstein, the Former Yugoslav Republic of Macedonia, Norway, Romania, Serbia and Montenegro, and Turkey, said that bringing the security of the VIC into line with H-MOSS was of the utmost importance. The European Union therefore approved the Secretariat's proposals regarding the Phase I requirements for security enhancements. It did not believe that the extra costs could be taken out of the existing Regular Budget without endangering the Agency's programmes, and voluntary contributions were not an appropriate solution as enhanced security measures would benefit all Member States and the costs should accordingly be borne by all.

31. Mr. TAKASU (Japan) said that while his Government understood the urgent need for enhancing security, it considered that providing security enhancement was the common responsibility of all States, since all would benefit. Consequently, security enhancement should be an integral part of administrative costs, and should therefore be incorporated into the Regular Budget. It would be difficult for his country to provide extra funding because budget assessments had already been made. For that reason he requested additional justification for the proposal and information as to the possibility of absorbing the additional costs by reallocating resources within the existing budget.

32. Lastly, he wished to inform the Board that, on 29 June 2004, Japan had completed the legislative procedure necessary for it to accept the amendment to Article XIV.A of the Statute.

33. Mr. WALLER (Deputy Director General for Management) explained that the timing of events had been such that the extra costs associated with security enhancement could not have been anticipated in the 2004 budget: the decision on the security enhancements had not been taken until December 2003, by which time the Agency's budget for 2004 and 2005 had already been locked in. Although he appreciated that the prospect of a supplementary appropriation complicated matters for Member States, he would advise against taking the extra security costs out of programme monies, as that would mean reopening the long debate on the question of balance that had accompanied the examination of the 2003 budget. He stressed that the threat to the VIC was not merely hypothetical, given that a number of threats had been received against the VIC buildings and against the Director General personally.

34. Mr. TAKASU (Japan) requested the Board to defer its decision, as he would need to seek new instructions from his Government.

35. The CHAIRMAN said that, in the light of the request by the Governor from Japan, the Board would defer its decision on the present item to a later stage.

8. Nuclear verification

(a) The conclusion of safeguards agreements and of additional protocols (GOV/2004/68, 72 and 73)

36. The CHAIRMAN invited the Board to consider documents GOV/2004/68, 72 and 73 concerning the conclusion of additional protocols with Mauritius, Serbia and Montenegro, and Algeria, respectively.

37. Mr. GULAM HANIFF (Malaysia), speaking on behalf of the Vienna Chapter of NAM, and Ms. BOGORE-AGNEKETOM (Burkina Faso)*, speaking on behalf of the African Group, took note of the decision by the Governments of Algeria, Mauritius and Serbia and Montenegro to conclude additional protocols to their NPT safeguards agreements.

38. Mr. TAKASU (Japan) commended the three Member States for the positive steps they had taken. Japan was a fervent supporter of universalization of the additional protocol, a most valuable technical instrument of nuclear non-proliferation, and welcomed the substantial increase seen in 2004 in the number of Member States that had brought additional protocols into force. In preparation for the 2005 NPT Review Conference, every effort should be made to reduce the number of States party to the NPT that had yet to conclude comprehensive safeguards agreements and additional protocols. Japan was committed to maintaining the current momentum through the conclusion of additional protocols and other efforts and was exploring with other delegations a political initiative to issue a strong message on the importance and urgency of universal commitment to a strengthened safeguards system.

39. Ms. BEN AMOR MISSAOUI (Tunisia) said the international community currently faced a major nuclear proliferation challenge that sparked serious concerns and called for a general display of political will to address it. Her country considered that the NPT must continue to be the basis of the international nuclear non-proliferation regime and hoped that the 2005 Review Conference would make great strides towards full realization of its objectives of non-proliferation and sustainable development. With that in view, Tunisia paid constant and particular attention to the implementation of the safeguards system as the core of the non-proliferation regime, and in general to the Agency's role in preventing unlawful acts involving the malevolent use of nuclear material.

40. A strengthened safeguards system based on comprehensive safeguards agreements coupled with additional protocols would certainly boost the credibility of verification and thus also the international community's confidence. Convinced that a genuine commitment by States to the strengthened safeguards system would avert the risk of proliferation and guard against the diversion of nuclear material, her Government was proud to announce its decision to sign an additional protocol to Tunisia's long-standing comprehensive safeguards agreement with the Agency. Consultations were being held with the Secretariat so as to speed up the ratification process.

41. In that context, she wished to reiterate Tunisia's request for Agency support in training local experts and establishing adequate national safeguards capabilities to enable her country to play its part in verification activities.

42. In reviewing the Agency's safeguards activities, the Board should also bear in mind the other two pillars of the Agency's work, namely safety and technology, and the need to maintain an appropriate balance among the three pillars, inter alia by providing the TCF with assured and reliable resources for addressing Member States' development needs. Tunisia, which met its financial obligations regularly and in a timely manner, stressed its legitimate right to access to nuclear technology for solely peaceful purposes and hoped that the signing of its additional protocol would serve as a basis for obtaining increased technical assistance from the Agency and exploring other funding sources for key projects involving nuclear applications.

43. Mr. NIEWODNICZAŃSKI (Poland) welcomed the increase in the number of countries that had signed, ratified or implemented safeguards agreements and additional protocols. The global verification system was the only credible basis for the responsible conduct of peaceful nuclear activities in line with the NPT, and safeguards agreements and additional protocols that were brought into force contributed to strengthening the effectiveness and efficiency of the safeguards system worldwide. In that connection, he requested the Agency to organize a workshop to help countries such as his own that had recently joined the European Union to achieve a smooth transition from their bilateral safeguards systems to the multilateral system used in the European Union.

44. Mr. MOURLON (France), congratulating Algeria, Mauritius and Serbia and Montenegro on their decisions to conclude additional protocols, said their commitment sent a strong political message

which would contribute to strengthening the effectiveness and credibility of the safeguards system and setting it on the path of universal application at a time when it faced grave challenges.

45. He welcomed the rise in the number of additional protocols signed and brought into force, noting the efforts made in that direction by the Secretariat and by countries such as Japan which had played a leading role. France's own efforts, in the form of diplomatic negotiations with Indian Ocean and African countries, expert missions and regional seminars, had highlighted the benefits of safeguards agreements and additional protocols and encouraged countries in those areas to adhere to them. France called on all States that had not yet done so similarly to sign such instruments in order to strengthen further the essential role of the safeguards system and the international non-proliferation regime.

46. Mr. MINTY (South Africa) said that the Agency — the only internationally recognized credible and competent authority for verifying compliance with safeguards agreements — must be in a position to verify, with full confidence, that nuclear capabilities were used for peaceful purposes only, applying where possible the mechanisms available under the additional protocol for strengthened safeguards. Such protocols were an integral part of the safeguards system, and his country supported their universal application and thus also their conclusion with the three countries concerned. It looked forward to their early ratification and implementation and urged all States that had not yet done so to conclude and implement such protocols as soon as possible.

47. Mr. PROUDFOOT (Canada) joined previous speakers in welcoming the conclusion of additional protocols for Algeria, Mauritius and Serbia and Montenegro and urged all countries that had not yet done so to emulate them in the near future.

48. Mr. SEMMEL (United States of America) said he was pleased to join the consensus on the additional protocols with Algeria, Mauritius and Serbia and Montenegro and encouraged those countries to sign and bring them into force as soon as possible.

49. The strengthening of the Agency's safeguards system was of utmost importance to his country, and no effort should be spared in seeking universal adherence to it. He welcomed the G-8 leaders' initiation, following the Sea Island Summit in June 2004, of a worldwide diplomatic effort to persuade all States to sign and bring safeguards agreements and additional protocols into force. He thanked the Secretariat for making the information on the status of such agreements and protocols widely available and offered his country's full support for its outreach efforts to encourage adherence to strengthened safeguards.

50. Mr. FEROUKHI (Algeria)* said that his country's decision to sign an additional protocol had been taken not only with the aim of strengthening the credibility and universality of the multilateral verification system, but also in order to bolster cooperation with the Agency, including the strengthening of national capabilities in the legislative area and the training of the experts and technical personnel needed to meet its obligations under the protocol.

51. Mr. CABELLO SARUBBI (Paraguay)* said that his country had already completed the constitutional steps necessary for ratification of the additional protocol to its safeguards agreement in 2003 and would that very day be depositing the instrument of ratification with the Secretariat.

52. The CHAIRMAN, summing up, said that the Board had expressed strong support for the Agency's efforts to promote the completion of outstanding comprehensive safeguards agreements. Members had emphasized that States party to such agreements that had not yet done so should conclude and bring into force additional protocols as soon as possible.

53. With regard to the additional protocols under consideration, he assumed that the Board wished to take the action recommended in documents GOV/2004/73, 68 and 72 and authorize the Director

General to conclude with the Governments of Algeria, Mauritius and Serbia and Montenegro, and subsequently implement, the additional protocols which were the subjects of those documents.

54. It was so decided.

(b) Report by the Director General on the implementation of safeguards in the Democratic People's Republic of Korea

55. The CHAIRMAN recalled that the Director General, in his introductory statement and also in document GC(48)/17, had informed Member States that the Agency still could not provide any assurances of non-diversion of nuclear material in the DPRK.

56. Ms. BRIDGE (New Zealand) said her country continued to be deeply concerned at the DPRK's failure to resume cooperation with the Agency and fulfil its NPT obligations, and urged it to do so as soon as possible.

57. The resumption of the six-party talks in June 2004 had been a welcome development. Although there were no quick or easy solutions to the long-standing peace and security issues on the Korean Peninsula, her country hoped that the next round of talks would take place soon and appreciated China's role in facilitating that process. New Zealand hoped to see an expansion of the common ground among the six participating countries that would ultimately lead to a comprehensive and durable resolution of the issue.

58. New Zealand would continue to engage in dialogue with the DPRK in support of international efforts to persuade it to resume cooperation with the Agency and to abandon its nuclear programme.

59. Mr. ZHANG Yan (China) said that his country's basic starting-point on the present issue was the denuclearization of the Korean Peninsula and the maintenance of peace and stability there. Peaceful negotiation was needed in order to achieve an appropriate resolution of the issue while taking account of the DPRK's security concerns.

60. China had striven to promote negotiations from the outset by launching one round of three-party talks and three rounds of six-party talks, which had set the objective of denuclearization of the Peninsula and had presented guidelines for the resolution of the issue through peaceful dialogue. Great strides had also been made in institutionalizing the talks. His delegation was gratified that the third round at the end of June had produced positive and substantial results, with all parties proposing ideas for solutions and thus demonstrating the political will to promote the negotiation process. Consensus had been reached on a first phase for the abandonment of the DPRK's nuclear programme, and some joint steps were being taken.

61. The parties to the talks had considered and adopted the working group's concept document and had suggested a date for the fourth round of talks. The results achieved so far had created favourable conditions for maintaining the momentum of the talks and deepening the substantive discussions, and China, together with other parties, was actively seeking to promote an early beginning of the fourth round of talks.

62. The DPRK nuclear issue was at a very crucial juncture, presenting both difficulties and opportunities. Greater trust was needed on all sides, as well as political will, diplomatic skills, wisdom, and an atmosphere of calm and restraint, without words or deeds that could disrupt the negotiation process. All sides should display sincerity and fairness in the quest for a definitive solution through peaceful dialogue.

63. Mr. Chang-beom CHO (Republic of Korea) said his delegation shared the concern expressed in the Director General's introductory statement. The threat to international security and the challenge to

the NPT regime continued. He urged the DPRK to return to that regime and meet its obligations under the NPT and its comprehensive safeguards agreement with the Agency.

64. As had been underscored during the latest round of six-party talks, peace currently hinged on the DPRK's deciding to renounce its nuclear weapons programme. He hoped that the momentum of those talks would be maintained and that the DPRK would seize the historic opportunity afforded it. He also hoped that the next round of talks would be held before the end of the current month, since further dialogue was needed to expand common ground and reduce differences. It was unacceptable that the DPRK's rigid position should lead to endless prolongation of the process.

65. The DPRK must dismantle its nuclear arsenal once and for all in order to allay the international community's security concerns and to benefit from its economic assistance. It was to be hoped that close cooperation with the Agency and the international community would result in the prompt and peaceful resolution of the issue.

66. The Republic of Korea welcomed the Secretariat's readiness to work with all interested parties towards a comprehensive solution whereby the DPRK would use nuclear material solely for peaceful purposes. His country would continue its strenuous efforts and proactive approach to facilitate a firm commitment to the NPT regime and the Joint Declaration on the Denuclearization of the Korean Peninsula issued by the two Koreas in 1992.

67. Mr. TAKASU (Japan) said that the early peaceful resolution of the DPRK nuclear issue was essential for securing peace and stability in North East Asia, including Japan, and also for strengthening the international nuclear non-proliferation regime. Japan deeply regretted that, in spite of a series of relevant Agency resolutions, the DPRK had been refusing to cooperate with the IAEA. During the third round of six-party talks held in Beijing in June 2004, the participating countries had conducted practical and substantive discussions and reconfirmed their commitment to achieving a peaceful resolution of the issue in line with the common goal of a denuclearized Korean Peninsula. The six parties had also agreed on the necessity of taking first steps towards that goal as soon as possible. However, there were still differences in positions. The DPRK did not acknowledge its uranium enrichment programme. It was necessary to make further efforts and to hold a fourth round of talks, as previously agreed, in September 2004, in order to encourage a more positive stance by the DPRK. Japan urged the DPRK to refrain from holding the United States of America responsible for whether the next round of talks or working groups took place, and to participate in the six-party talks. His country would continue to make efforts to elicit a positive response from the DPRK.

68. Japan could not accept any development, acquisition, possession, testing or transfer of nuclear weapons by any means by the DPRK, which should observe all the international agreements related to nuclear issues, including the NPT, and should implement completely and immediately the comprehensive safeguards agreement with the Agency. It must immediately commit itself to dismantling expeditiously all its nuclear programmes, including its clandestine uranium enrichment, and must declare complete information related to all of its nuclear programmes. It was of paramount importance for the six parties, including the DPRK, to agree promptly on a credible international verification system that included complete and fully intrusive inspections. Japan endorsed the central role which the Agency would play in the verification process and continued to support the Agency's efforts to persuade the DPRK immediately to open all nuclear-related facilities to Agency inspection and safeguards. At the same time, Japan would continue to emphasize to the DPRK that the complete dismantling of its nuclear programme would be beneficial for the DPRK itself. In order to resolve the DPRK nuclear issue peacefully through dialogue, Japan was ready to continue to make every effort to achieve results by diplomatic means, primarily by actively contributing to the six-party talks.

69. Mr. BERDENNIKOV (Russian Federation), recalling that his country was a direct participant in the six-party talks, said that after three rounds of talks it had been possible to reach a mutual understanding that there was no place for nuclear weapons on the Korean Peninsula. However, overcoming the known differences in the positions of the parties required patience and persistent efforts from all participants. The Russian Federation considered that the process of denuclearization in the region should be verifiable and should take place within the framework of international law, and that the IAEA was the authoritative international instrument for safeguarding the peaceful use of nuclear energy in the DPRK.

70. Mr. SEMMEL (United States of America) said that the 1994 Agreed Framework had set out to address the threat posed by the DPRK's nuclear programmes to the region, to international security and to the nuclear non-proliferation regime. It had also set out to address the inconsistencies found by the Agency in the DPRK's original declaration under its NPT safeguards agreement. Under the Agreed Framework, the DPRK had committed itself not to produce fissile material at its declared facilities at Nyongbyon, and the preface of the Agreed Framework had stated that its purpose was an overall resolution of the nuclear issue on the Korean Peninsula. However, by the autumn of 2002 the international community's assessment had been that the DPRK was pursuing a covert programme to produce enriched uranium and had been doing so for a number of years. When confronted with that assessment, the DPRK, rather than ending its covert programme, had escalated the situation. If the DPRK had finished reprocessing its approximately 8000 existing spent fuel rods, it could have produced enough fissile material for several nuclear weapons.

71. The United States of America was adhering to two basic principles in addressing the threat: first, it was seeking a resolution of the issue in a permanent, transparent and thorough manner, subject to effective verification, and it would not accept a partial solution that did not deal with the entirety of the problem and allowed the DPRK to threaten others continually with a revival of its nuclear programme; secondly, it believed that a multilateral solution was needed in order truly to address the problem, and it was attempting to achieve that through multilateral diplomacy. It regarded the six-party talks as the best forum for doing so at the present time. Progress had been made by getting all parties to the talks to acknowledge that the common goal was the denuclearization of the Korean Peninsula. At the plenary session in June 2004, the United States had presented a proposal, developed in close coordination with the Republic of Korea and Japan, under which the DPRK would, as a first step, commit itself to dismantling all its nuclear programmes. The parties would then reach agreement on a detailed implementation plan requiring, at a minimum, the supervised disabling, dismantling and elimination of all nuclear-related facilities and material, the removal of all nuclear weapons and weapons components, centrifuges and other nuclear parts, fissile material and fuel rods, and a long-term monitoring programme. Dismantling would have to include the DPRK's uranium enrichment programme, which it continued to deny existed, despite its earlier admission of such a programme in October 2002 and despite reports of the activities of A.Q. Khan. There would be an initial preparatory period of three months during which the DPRK would take certain steps to secure and disable elements of its nuclear programmes, and the three-month period would provide the necessary time to prepare for full dismantling and removal, subject again to effective verification. Upon acceptance by the DPRK of the overall approach, non-United States parties would begin provision of heavy fuel oil. Upon acceptance of the DPRK's initial declaration of all nuclear programmes, materials and facilities, including all uranium enrichment activities, the other parties would provide certain corresponding measures, including provisional multilateral security assurances.

72. The DPRK's proposal had restated its goal of a freeze for rewards, including energy assistance, the lifting of sanctions, and removal from the United States list of State sponsors of terrorism. Its proposal had ignored uranium enrichment, plutonium separated prior to 2003, and nuclear weapons.

The United States and the other four parties had questions about the DPRK proposal, including what the scope of the freeze and dismantling would be.

73. The United States had stated on many occasions that it wanted to help the DPRK to rejoin the international community, to enhance its security and to promote the well-being of its people, but the process had to begin with the DPRK removing the nuclear threat to the region. The six-party talks offered the DPRK the opportunity to improve its relations with the United States, Japan, the Republic of Korea and other countries, to end its self-induced political and economic isolation, and to reap the benefits of normal international trade and aid.

74. The United States welcomed the Secretariat's stated willingness to work with all parties towards a comprehensive solution of what was a difficult issue. It supported the repeated calls by the Board and the General Conference for the DPRK to return to the nuclear non-proliferation regime and permit the application of comprehensive safeguards. In so doing, the DPRK would come a long way towards removing the grave concerns of so many other members of the international community. The United States firmly believed that diplomacy was the best way to overcome the DPRK's nuclear threat. Given the history of the DPRK's broken commitments and obligations, the aim of the United States was to resolve the DPRK nuclear problem fully and finally, not to implement half-measures or sweep the problem under the carpet for future policy-makers to deal with. The United States was pursuing that course patiently, and was committed to its success. It hoped that the DPRK would make the same commitment.

75. Ms. STOKES (Australia) said that continued pursuit of nuclear weapons by the DPRK would drive that country deeper into international isolation, with the uncertain security outlook that would bring. But the DPRK could take the historic chance offered by the six-party talks to change course in a way that would add to, not diminish, its security and future prosperity. Australia regarded the talks as the most viable and appropriate mechanism for finding a peaceful and lasting resolution to the DPRK nuclear issue.

76. The Australian foreign minister had visited the DPRK in August 2004 and urged its leadership to understand the opportunity it now had. It should focus on the common elements in its own proposal and that tabled by the United States at the June round of six-party talks. She hoped the DPRK recognized the value of what was on offer in that process, which could bring the DPRK considerable benefits. As a first step, it should make a full disclosure of its nuclear activities, covering both the plutonium programme and uranium enrichment. It was strongly in the DPRK's interests to be transparent and cooperative in clearing up the widely held questions about uranium enrichment.

77. Effective verification would also be indispensable for any lasting solution to the DPRK issue. It would need to answer questions about the DPRK's past nuclear programme as well as its current activities. In her country's view, the Agency would be an essential and central part of such verification arrangements. Australia again commended to the leaders of the DPRK the positive example of the Libyan Arab Jamahiriya, which demonstrated that WMD programmes could be given up peacefully through open engagement in ways which added to future certainty and security.

78. Mr. PROUDFOOT (Canada) said the DPRK nuclear issue remained a matter of profound global concern. Notwithstanding the Agency's inability to conduct any verification activities in that country since December 2002, it was appropriate that the issue remained on the Board's agenda. Canada called upon the DPRK to accept NPT safeguards and completely to dismantle any nuclear weapons and related programmes in a prompt, transparent, verifiable and irreversible manner, maintaining the essential verification role of the IAEA. Canada was grateful to China for the role it was playing in convening the six-party talks and hoped that that process would lead to a peaceful settlement of the DPRK nuclear issue and to a nuclear-weapon-free Korean Peninsula.

79. Mr. MINTY (South Africa), recalling his country's repeated expressions of concern regarding the DPRK's decision to withdraw from the NPT, said that South Africa would like to see universal adherence to the NPT and comprehensive verification by the Agency, including through the mechanisms available under the additional protocol. It agreed with other Board members in supporting dialogue and encouraging the parties involved to continue their quest for a peaceful and lasting solution to the DPRK nuclear issue. He once again called upon the DPRK to refrain from taking any steps that could further escalate or exacerbate tensions surrounding its nuclear programme and to reconsider its decision with a view to returning to full compliance with the NPT. South Africa expressed its full support for the continuing efforts of the Director General and his staff to address the situation and would appreciate being kept abreast of further developments.

80. Mr. VIEIRA DE SOUZA (Brazil) expressed his Government's serious concern over the DPRK's challenge to the integrity of the non-proliferation and disarmament regime and called upon that country to reconsider its decision and contribute to the denuclearization of the Korean Peninsula in the interests of the international community. Brazil had been following closely the diplomatic efforts aimed at solving the DPRK issue and hoped to see a peaceful solution through open dialogue, taking into consideration the security concerns of all parties involved, as well as the objectives of nuclear disarmament and international security.

81. The CHAIRMAN, summing up the debate, said that the Board had noted that the DPRK had yet to take any of the necessary steps called for in Board resolutions GOV/2003/3 and GOV/2003/14 adopted in January and February 2003 respectively. The Board had noted with concern that the Agency was not in a position to provide any assurances about nuclear material and activities in the DPRK. A number of members had emphasized the importance of continued dialogue to achieve a peaceful and comprehensive solution to the DPRK nuclear issue. They had expressed the hope that such a solution would ensure the return of the DPRK to the nuclear non-proliferation regime and provide the Agency with the authority necessary for it to provide credible assurances regarding the nature of the DPRK's nuclear programme. In that regard, the Board had noted the ongoing efforts of the six-party talks and looked forward to their outcome. The Board had requested the Director General to keep it informed of future developments. He said that if there were no objection he would take it that the Board accepted his summing-up.

82. It was so decided.

(c) Implementation of the NPT safeguards agreement of the Socialist People's Libyan Arab Jamahiriya: Report by the Director General
(GOV/2004/59 and Corr.1)

83. The CHAIRMAN said that in June 2004 the Board had requested the Director General to present a report to it at its current session on pending matters relating to implementation of the NPT safeguards agreement of the Libyan Arab Jamahiriya. That report, contained in document GOV/2004/59 and Corr.1, had been the subject of a technical briefing for Member States given by the Secretariat on 6 September 2004.

84. Mr. GULAM HANIFF (Malaysia), speaking on behalf of NAM, welcomed the good cooperation the Libyan Arab Jamahiriya had shown since the beginning of the verification activities in that country following its declaration of December 2003. That cooperation, including the provision of prompt access to locations requested and to senior personnel and the taking of corrective actions, had enabled the Agency to gain an understanding of Libya's previously undeclared nuclear programme, and had brought it into compliance with its safeguards agreement. Libya's decision was a step towards the realization of the goal of an Africa and Middle East free of WMDs and at peace. In that context, NAM had welcomed the statement by the President of the United Nations Security Council

(S/PRST/2004/10) and was confident that the steps taken by Libya would facilitate and improve international cooperation and enhance that country's security. The NAM Chapter reiterated its full support for the speedy establishment of a zone free of WMDs in the Middle East, in accordance with the relevant Security Council and General Assembly resolutions. NAM once again called on all the parties concerned to take urgent and practical steps to that end, and urged Israel promptly to place all its nuclear facilities under Agency full-scope safeguards. NAM shared the Director General's assessment and fully supported him in continuing to report developments as part of the periodic reporting of the Agency's verification activities unless circumstances warranted otherwise. Also, NAM strongly believed that the item should henceforth be removed from the Board's agenda and that in future the matter should be dealt with in the normal manner pursuant to Libya's safeguards agreement.

85. Ms. BOGORE-AGNEKETOM (Burkina Faso)*, speaking on behalf of the African Group, echoed the previous speaker in welcoming the Libyan Arab Jamahiriya's continued positive cooperation with the Agency and emphasizing that its decision was a step towards the realization of the goal of an Africa and Middle East free of WMDs and at peace. The Group also welcomed the presidential statement issued by the Security Council (S/PRST/2004/10) and supported the Director General's continuing efforts to implement the relevant General Conference resolutions on the Middle East. Israel, the only State in the region that had not adhered to the NPT, should do so as soon as possible and accept the application of full-scope Agency safeguards to all its nuclear activities.

86. In view of Libya's full cooperation since its declaration to abandon its nuclear programmes voluntarily, she requested that the Board close the file on the Libyan Arab Jamahiriya and remove the item from its future agendas. The matter could now be dealt with in the normal manner of safeguards agreements applied to all other Member States.

87. Mr. TAKASU (Japan) was pleased to note from the Director General's report the continuing positive development in the Agency's verification activities in the Libyan Arab Jamahiriya since that country's decision to abandon all its WMDs. Libya's cooperation had enabled the Agency to develop an understanding of its previously undeclared nuclear programme, and it was gratifying that Libya's declarations on its past nuclear-related activities appeared to be consistent with the information available to and verified by the Agency. In his report the Director General had emphasized that cooperation by Libya and other Member States remained essential for the successful completion of verification work, particularly in the area of clarifying the role of clandestine supply networks. In that connection, Japan urged all relevant States to continue their cooperation with the Agency. Japan supported the Director General's intention to continue to report on developments as part of the periodic reporting of verification activities unless circumstances warranted otherwise.

88. Mr. RAMZY (Egypt) expressed his country's gratitude for the effective cooperation between the Libyan Arab Jamahiriya and the Secretariat as a result of which the Agency had been able to get a full picture of its former nuclear programme. There was no doubt that continued cooperation along those lines would lead to resolution of all outstanding issues. It was the responsibility of Board members to support the Director General's assessment, to approve closure of the Libyan file, and in future to deal with the issue in the same way as with other States having safeguards agreements.

89. Egypt appreciated the Libyan Arab Jamahiriya's decision to abandon its WMD programmes as a step towards the establishment of a NWFZ in the Middle East. That step should be viewed in conjunction with other steps taken by States in the region. All the Arab States in the Middle East had acceded to the NPT and had adopted comprehensive safeguards agreements with the Agency. Israel, however, was not only still hesitating to accede to the NPT and place all its nuclear installations under full-scope Agency safeguards, but also failing to show the necessary seriousness in dealing with the issue of the establishment of a NWFZ in the Middle East to enhance international peace and security.

The current international circumstances faced by the NPT regime required the international community to strengthen its efforts to achieve that objective.

90. Mr. MINTY (South Africa) joined the previous speakers in commending the Libyan Arab Jamahiriya on its good cooperation with the Agency since its declaration in December 2003. It had provided the Agency with prompt access to locations and taken corrective actions to come into compliance with its safeguards agreement. At the same time, South Africa also noted that some areas related to the acquisition of UF₆, uranium conversion technology and enrichment technology required further investigation in order fully to verify the completeness and correctness of Libya's declarations. The report by the Director General had made it clear that for the Agency to complete its verification of Libya's past undeclared nuclear programme, the cooperation of other Member States remained essential. Of particular importance in that regard was the role of the clandestine supply network which supported that programme and the sources of contamination of some enrichment-related equipment by low and high enriched uranium particles. His delegation encouraged Libya and all other relevant Member States to continue their active cooperation with the Agency to ensure that those matters were resolved as soon as possible.

91. His Government shared the international community's concern over the illicit transfer of nuclear and nuclear-related dual-use technology and materials that could be used in WMDs and encouraged the sharing of information that would identify individuals or entities involved in such activities with a view to preventing, combating and eradicating that illicit trade.

92. An investigation lasting several months had been undertaken with regard to contravention of South Africa's Non-Proliferation of Weapons of Mass Destruction Act, 1993, and its Nuclear Energy Act, 1999. Those investigations had been carried out in cooperation with other countries, as well as with the Agency. They had also been made in the context of the A.Q. Khan network and the information obtained following Libya's announcement of the abandonment of its nuclear weapons programme. The allegations being investigated related to the import and export of a controlled flow-forming lathe, as well as the production and possession of certain components associated with a centrifuge enrichment plant without the necessary permits. It was alleged that those activities had been intended to assist in Libya's former programme. Based on information obtained during the course of the investigation, a number of individuals had now been arrested and charged with contravening the law by importing, exporting, possessing and producing certain controlled items without the necessary authorizations. Several facilities had been searched and 11 shipping containers had been found at one company containing components of a centrifuge uranium enrichment plant as well as related documentation. The 11 containers had been sealed immediately by the South African police and transported to a secure site at Pelindaba. At South Africa's request, the containers had also been sealed by the Agency, which together with the South African police would maintain control over the equipment. The investigation, which had reached a sensitive stage, was continuing. Details of the outcome of the investigation would be reported to the Agency and relevant governments in due course.

93. South Africa strongly supported the tightening of controls over nuclear material, technologies and equipment to prevent nuclear weapons proliferation and illicit trafficking. At the same time, it emphasized both the critical importance of effective information-sharing among all relevant parties and the central role and importance of the Agency. No control regime, however impenetrable, could guarantee against abuse, and its success remained highly dependent on the trust, goodwill and level of cooperation between countries. In that regard, his delegation thanked the Agency and all the other governments involved for their continuing support, without which South Africa would not have been able to make such rapid progress.

94. The item under discussion should be removed from the agenda of subsequent meetings of the Board and the subject dealt with henceforth in a normal manner in accordance with Libya's safeguards agreement and additional protocol.

95. Mr. MOURLON (France), noting that Libya had been fulfilling its commitment to renounce its programme for the development of nuclear weapons, welcomed the transparency and cooperation demonstrated by the Libyan authorities and called on Libya to continue along that path. A number of countries with information needed for the Agency's investigations had extended their cooperation and he encouraged them to carry on providing the Agency with information and access to facilities and equipment as required.

96. His delegation was pleased to note that the conclusions reached by the Agency on a number of points confirmed the declarations made by Libya. That would build the confidence of the international community with regard to Libya. Although the Agency's investigations had made substantial progress, there was still work to be done if it was to arrive at a complete understanding of Libya's past programme and clarify unresolved questions, in particular concerning the source of the contamination by enriched uranium, the scale of the weapons activities and the international network of trafficking in the sensitive technologies used in the Libyan and Iranian nuclear programmes. On that last point, the Agency's conclusions were of great importance for future action by the international community.

97. The information contained in the Director General's report reinforced the decisions of the March 2004 Board. Libya had taken a wise decision in renouncing activities which were inconsistent with its commitments and which constituted a threat to peace and security. It had committed itself to a policy of cooperation and transparency which not only contributed to strengthening the global non-proliferation regime but would also work towards the establishment of a NWFZ in Africa and the Middle East. France welcomed that step and encouraged Libya to continue along that path.

98. His delegation hoped that, with Libya's cooperation and the assistance of other countries, the Director General would be able to make a complete assessment as soon as possible and submit a report to that effect at a future meeting of the Board, on the basis of which the Board could then draw its final conclusions.

99. Mr. SEMMEL (United States of America) welcomed the Director General's finding that Libya had shown good cooperation with the Agency since the beginning of the verification activities that had followed Libya's declaration in December 2003. He was pleased that, since the Director General's June 2004 report (GOV/2004/33), Libya had provided the Agency with revised declarations and had cooperated with the Agency in its effort to verify its yellowcake holdings.

100. His delegation looked forward to Libya continuing that cooperation so that the Agency could conclude as soon as possible regarding the correctness and completeness of Libya's safeguards declarations, including under the additional protocol. He urged all Member States to cooperate with the Agency in its ongoing investigation of the illicit nuclear supply network and to help bring the Agency's verification work to a successful close. Recent disclosure of that network showed the need for Member States to control more stringently the export of dual-use nuclear materials, equipment and technology and to address the dangerous and growing role of non-State actors in nuclear proliferation.

101. The United States and the United Kingdom continued to work with Libya, at its request, to implement Libya's decision to eliminate its previously undeclared nuclear programme and meet its international non-proliferation obligations. Libya's transparency and cooperation within that trilateral context had been commendable and had done much to help build international confidence in its peaceful nuclear intentions. The steps which Libya had taken since 19 December 2003 were helping to reintegrate it into the international community, and the United States wanted Libya's good faith to be returned in kind.

102. Libya's decision to step away from destabilizing WMD programmes in a verifiable manner was an example which his Government fervently hoped others would emulate. Regretfully, there was a stark contrast between the path chosen by Libya and the one which Iran and the DPRK continued to tread. The United States once again urged Iran and the DPRK to follow Libya's enlightened example.

103. Ms. STOKES (Australia) expressed appreciation for Libya's cooperation with the Agency, which had made possible the assessment that Libya's declarations of its nuclear activity appeared to be consistent with the information available to and verified by the Agency. Libya was a positive example of cooperation in resolving safeguards questions. However, further investigations were needed on a number of outstanding issues, and Australia trusted that Libya would cooperate fully in resolving all such issues identified in the Director General's report.

104. Information about Libya's past nuclear activities had played a key role in uncovering clandestine nuclear procurement networks. She underlined the importance of full cooperation by Libya and other Member States as the Agency continued its investigation in that regard. Finally, her delegation commended the Agency for its activities in Libya and its work on the vital task of unravelling procurement networks.

105. Mr. UMAR (Nigeria), having congratulated the Libyan Arab Jamahiriya on the steps it had taken so far and its openness and cooperation, said that Libya's actions had strengthened the efforts being made by African countries to ensure the success of the Pelindaba Treaty, which sought to make Africa a NWFZ. All Member States should follow Libya's lead so as to help build the confidence of the international community. Also, the nuclear-weapon States should reassure the non-nuclear-weapon States by taking steps not only to halt vertical proliferation but also to move towards nuclear disarmament.

106. Mr. KUCHINOV (Russian Federation) said that, as could be seen from the Director General's report, the work carried out in Libya had been complex and multifaceted. To a certain extent that had made the inspection work more difficult because of the need to take a large number of samples, to verify the considerable volume of technical documentation and to conduct many interviews of experts involved in the nuclear programme. Nevertheless, the Agency had succeeded in a very short time in covering all the important aspects of that work, and the number of outstanding issues was diminishing. As his delegation understood it, the investigations of Libya's past nuclear weapons activities were nearing completion. The Russian Federation welcomed Libya's full cooperation with the Agency in compliance with the commitments undertaken under the additional protocol to its safeguards agreement.

107. Mr. GASHUT (Libyan Arab Jamahiriya)* said that his country had complied fully with its obligations vis-à-vis the Agency and the international community, in keeping with its courageous initiative and its voluntary declaration of 19 December 2003. Since the meetings of the Board in June 2004, to help clarify the pending matters noted in the Director General's report contained in document GOV/2004/33, Libya had allowed timely verification of its uranium ore concentrate holdings using a procedure agreed upon with the Agency, relying on both local technical means and Agency assistance. The Agency's inspectors had been able to verify the inventory and commended the method used. Full and open cooperation with the Agency had helped in understanding, verifying and assessing Libya's uranium enrichment and conversion activities and programmes. Also, Libya had submitted revised declarations pursuant to Article 2 of its additional protocol and revised accounting reports related to the uranium conversion research facility, and it had provided prompt complementary access to all locations as requested by the Agency and facilitated meetings with senior experts.

108. The Director General's latest report showed that Libya's declaration had been correct and that Libya had been cooperative and transparent. It proved that Libya respected its pledges and that its intentions were good.

109. Libya would continue to cooperate with the Agency and support its activities in the same spirit which it had shown since its declaration of 19 December 2003. His delegation extended its thanks to the Director General and the Secretariat and to all Member States which had assisted Libya, in particular the United States of America and the United Kingdom, whose efforts and cooperation had borne fruit. The call by members of the Board for Agency activities in Libya under the safeguards agreement and the additional protocol to revert to normal and for the item to be removed from the agenda was further proof that the efforts of all the concerned parties had met with success.

110. Libya was a very large country and had significant energy resources. It was located in a sensitive region with a unique geographical position in the Arab world. That region needed to be secure, stable and free from threats. The international community must meet its obligations to Libya by establishing international guarantees to deter any party which sought to undermine the security of the region. His country's courageous initiative would contribute effectively towards the establishment of a zone free from WMDs in Africa and the Middle East. But such a zone could only come about if the countries of the region and all concerned international Powers undertook to renounce the production, development, stockpiling, threat or use of such weapons, to eliminate those weapons and to provide the necessary guarantees in that regard. That was a basic and reasonable demand. Countries sought WMDs as a deterrent only because they feared other countries which already possessed them.

111. The situation had changed with Libya's declaration of 19 December 2003, which had been based on his country's conviction that possessing such weapons did not guarantee its security. The only way to achieve security was to rid the world of WMDs. The guarantees for Libya's national security should take the form of an international resolution or declaration by the Security Council. Other countries might then be encouraged by Libya's experience.

112. Libya would continue cooperating with the Board, whether as a member or as an observer. It intended to submit its application for membership of the Board in 2005 so that it could play an active role in supporting the Agency's programmes and activities and in assisting other countries, both those which possessed WMDs and others, to rally international opinion on the danger of such weapons and on the need to eliminate them for the sake of international peace and security.

113. Ms. GAFNI (Israel)* said that in recent years there had been many alarming developments concerning proliferation in and around the Middle East and other regions, although not all had attracted the international community's attention until lately. None of those developments involved Israel, but many constituted a direct challenge to her country's core security interests. In sharp contrast to certain countries in the region, Israel had neither threatened any of its neighbours, nor denied any other State the right to exist, nor acted in defiance of any of its international commitments. It was therefore inappropriate to ask Israel to undertake new international commitments while other States in the region still refused to accept Israel's existence and, indeed, directly challenged it and were in breach of their own obligations.

114. Israel called on all the States in the region to take steps to ensure mutual recognition and peaceful and good neighbourly relations and to abandon threats and the use of force. That would enhance the chances for cooperation on security.

115. The CHAIRMAN, summing up the discussion, said that the Board had expressed its appreciation for the Director General's report contained in document GOV/2004/59, highlighting the Agency's verification activities in Libya. The Board had welcomed Libya's cooperation and the Agency's assessment that Libya's declarations to date had appeared to be consistent with the

information available to and verified by the Agency. The Board had noted that some questions related to the acquisition of material and technology needed further investigation in order for the Agency to be able to verify the completeness and correctness of Libya's declarations and had emphasized the importance of Libya's continued cooperation with the Agency to provide answers to the remaining questions. The need for the cooperation of other States in that regard had also been emphasized.

116. Several members had expressed the view that Libya's actions should be seen as an important step towards the realization of the goal of an Africa and a Middle East free of WMDs and at peace.

117. The Chairman's summing-up was accepted.

9. Other matters arising from the forty-seventh regular session of the General Conference: Application of IAEA safeguards in the Middle East

(GOV/2004/61 and Add.1)

118. Mr. RAMZY (Egypt) said that the Director General's report on the application of IAEA safeguards in the Middle East, contained in document GOV/2004/61, offered a glimmer of hope in the quest for the establishment of a NWFZ in the Middle East. His delegation appreciated the Director General's proposal for convening a forum on experience of possible relevance to the creation of a NWFZ in the Middle East. Egypt would participate in the forum and hoped that other parties would do likewise.

119. The creation of a NWFZ in the Middle East was central to Egypt's vision for a security structure for the region. Egypt had pursued that goal for over 30 years in the General Assembly, the Agency, the NPT review process and at the 1991 Madrid Peace Conference. Unfortunately, meaningful progress had been elusive at the best of times.

120. Egypt had always maintained that the creation of a NWFZ could not await a comprehensive peace. It was a fundamental element of a balanced and durable security structure in the Middle East. It should therefore be pursued urgently so that when comprehensive peace was at hand, the new security structure, including a NWFZ, would be in place.

121. His delegation hoped that the proposed forum would produce tangible results that would contribute in a meaningful way to the creation of such a zone. It was Egypt's hope that Israel would approach the forum not as an academic exercise, but as a vehicle that would foster the kind of serious dialogue that would bring the creation of a NWFZ in the Middle East closer to reality.

122. Ms. GAFNI (Israel)* said her country shared the hopes expressed by the Governor from Egypt. Israel was ready to participate in the initiative, but felt that the forum should be for information purposes and not be used for negotiations.

The meeting rose at 12.50 p.m.