

IAEA Board of Governors
Record of the 1111st Meeting
GOV/OR.1111

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Nuclear Verification

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

Nuclear Verification

(b) Reviews of the safeguards programme and criteria: Report by the Director
General

Board of Governors

GOV/OR.1111

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Record of the 1111th Meeting

Held at Headquarters, Vienna, on Thursday, 25 November, at 10.35 a.m.

Contents

Item of the provisional agenda*	Paragraphs
– Opening of the meeting	1–3
– Adoption of the agenda	4–5
1 Introductory statement by the Director General	6–32
2 Technical cooperation: Report of the Technical Assistance and Cooperation Committee	33–49
3 Measures to strengthen international cooperation in nuclear, radiation and transport safety: The 2005 edition of the Agency's Regulations for the Safe Transport of Radioactive Material	50–83
4 Nuclear verification	84–129
(a) The conclusion of safeguards agreements and of additional protocols	84–107
(b) Reviews of the safeguards programme and criteria: Report by the Director General	108–128

[*] GOV/2004/82/Rev.1.

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.)

Ms. HALL		Chairperson (Canada)
Mr. NIEWODNICZAŃSKI		Vice-Chairman (Poland)
Ms. FEROUKHI	_____	Algeria
Ms. KELLY		Argentina
Ms. STOKES	}	Australia
Mr. KELLY		
Mr. NIEUWENHUYS		Belgium
Mr. VIEIRA DE SOUZA		Brazil
Mr. PROUDFOOT		Canada
Mr. ZHANG Yan		China
Mr. MOREJÓN-ALMEIDA		Ecuador
Mr. THIEBAUD		France
Mr. HONSOWITZ		Germany
Mr. BEKOE		Ghana
Mr. RÓNAKY		Hungary
Mr. SHARMA		India
Mr. DE CEGLIE		Italy
Mr. TAKASU		Japan
Mr. Chang-beom CHO		Korea, Republic of
Ms. ESPINOSA CANTELLANO		Mexico
Mr. KOP		Netherlands
Mr. UMAR		Nigeria
Mr. BUTT		Pakistan
Ms. AZURÍN ARAUJO		Peru
Mr. NIEWODNICZAŃSKI		Poland
Mr. NEVES FERREIRA		Portugal
Mr. BERDENNIKOV	}	Russian Federation
Mr. KUCHINOV		
Mr. GAFOOR		Singapore
Ms. ŠIMKOVÁ	}	Slovakia
Ms. ŽIAKOVÁ		
Mr. WIELLIGH		South Africa
Mr. UYANGODA		Sri Lanka
Ms. MELIN		Sweden
Mr. DAOUAS		Tunisia
Mr. WRIGHT		United Kingdom of Great Britain and Northern Ireland
Ms. SANDERS	}	United States of America
Mr. GLASS		
Mr. D. NOBLE		
Mr. MÁRQUEZ MARÍN		Venezuela
Mr. NGUYEN TRUONG GIANG		Vietnam
Mr. AL-MAKTARI		Yemen

Attendance (continued)

Mr. ELBARADEI	Director General
Ms. CETTO	Deputy Director General, Department of Technical Cooperation
Mr. GOLDSCHMIDT	Deputy Director General, Department of Safeguards
Mr. TANIGUCHI	Deputy Director General, Department of Nuclear Safety and Security
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:

Afghanistan, Albania, Angola, Austria, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Chile, Colombia, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Ethiopia, Finland, Georgia, Greece, Guatemala, Holy See, Iceland, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Morocco, Namibia, New Zealand, Norway, Panama, Paraguay, Philippines, Romania, Saudi Arabia, Serbia and Montenegro, Sierra Leone, Slovenia, Spain, Sudan, Switzerland, Syrian Arab Republic, Thailand, Turkey, Ukraine, United Arab Emirates, Uruguay, Zimbabwe.

Abbreviations used in this record:

ARASIA	Regional Cooperative Agreement for Arab States in Asia for Research, Development and Training Related to Nuclear Science and Technology
CPF	Country Programme Framework
CSS	Commission on Safety Standards
DPRK	Democratic People's Republic of Korea
ECOSOC	United Nations Economic and Social Council
G8	Group of Eight
GRULAC	Latin American and Caribbean Group
GUUAM	Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova
HEU	high enriched uranium
ICRP	International Commission on Radiological Protection
LEU	low enriched uranium
NPCs	national participation costs

Abbreviations used in this record: (continued)

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
OIOS	Office of Internal Oversight Services
PBC	Programme and Budget Committee
R&D	research and development
RCA	Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology (for Asia and the Pacific)
SAGSI	Standing Advisory Group on Safeguards Implementation
SIR	Safeguards Implementation Report
SSAC	State System of Accounting for and Control of Nuclear Material
TACC	Technical Assistance and Cooperation Committee
TCF	Technical Cooperation Fund
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean
Transport Regulations	Regulations for the Safe Transport of Radioactive Material
TRANSSC	Transport Safety Standards Committee
WMD	weapons of mass destruction

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

– Opening of the meeting

1. The CHAIRPERSON welcomed participants, including the new Governors (Mr. Bekoe of Ghana, Mr. Gafoor of Singapore, Ms. Šimková of Slovakia and Mr. Uyangoda of Sri Lanka) and the new Resident Representatives (Mr. Bawuah-Edusei of Ghana, Mr. Zapata of Honduras, Mr. Michaeli of Israel, Mr. Madi of Jordan, Mr. Gherman of Romania and Mr. Pérez Giralda of Spain).
2. She expressed the Board's condolences to the family and colleagues of the former Governor from Belgium, Mr. Noirfalisie, who had died recently.
3. Mr. NIEUWENHUYIS (Belgium) thanked the Board for its expression of sympathy.

– Adoption of the agenda (GOV/2004/82/Rev.1)

4. The CHAIRPERSON invited the Board to adopt the revised provisional agenda contained in document GOV/2004/82/Rev.1.
5. The agenda was adopted.

1. Introductory statement by the Director General

6. The DIRECTOR GENERAL said that the agenda for the session was centred on the report of the TACC (GOV/2004/81) and issues related to nuclear verification.
7. The TACC had recommended that the Board approve the Agency's proposed technical cooperation programme for 2005–2006 (GOV/2004/80 and Add.1). The focus of technical cooperation planning and management continued to be the achievement of meaningful and sustained benefits to recipient Member States, in which CPFs were used to ensure that the Agency's programmes were in line with national needs and priorities. Based on the recommendations of recent reviews, the Agency was embarking on a change initiative to enhance technical cooperation processes and procedures and ensure the efficient delivery of a high-quality programme.
8. He called for renewed attention to the shared responsibility for technical cooperation funding. It was essential that all Member States, both donors and recipients, should pay their share in a predictable and assured manner.
9. The Agency's role as an independent, objective verification body remained central to the effectiveness of the nuclear non-proliferation regime. However, the extent of the Agency's authority varied from country to country. Currently, 42 States Party to the NPT had yet to fulfil their legal obligations to bring NPT safeguards agreements with the Agency into force. For those countries, the Agency could not provide any assurance. And more than 7 years after the Model Additional Protocol

had been approved by the Board, additional protocols were being applied in only 63 States. For countries in which an additional protocol was not being implemented, the Agency's ability to provide credible assurances about the absence of undeclared nuclear material and activities was limited.

10. The Board had before it a report (GOV/2004/86) summarizing the outcome of two reviews covering the effectiveness of safeguards implementation and the safeguards criteria, respectively — reviews that he had initiated the previous year in response to a proposal by the Board's working group on the 2004–2005 programme and budget.

11. The first review, by an independent panel, evaluated the progress and impact to date of implementing safeguards strengthening measures. The panel had found that the Secretariat had generally done well in implementing those measures, particularly given the resource constraints under which it had been working. The panel also concluded that the Secretariat's ability to provide credible assurances regarding the absence of undeclared nuclear material, as well as ongoing assurances regarding the non-diversion of declared nuclear material, had significantly improved over the previous five years.

12. The second review, carried out by SAGSI, addressed the role, structure and content of the Agency's safeguards criteria. SAGSI had found that the safeguards criteria were basically sound, but had identified areas for improvement in effectiveness and efficiency — noting that, in a number of cases, changes it endorsed were already under way.

13. Both SAGSI and the external panel had concluded that wider implementation of integrated safeguards should be a priority, as that would provide the best opportunity for improved efficiency and effectiveness, particularly in States with large nuclear programmes. The Secretariat shared that view, and was devoting considerable effort to developing integrated safeguards approaches which, while designed to achieve efficiency gains, continued to be driven by the need to maximize effectiveness. He stressed, however, that it was only where both safeguards agreements and additional protocols were being applied, and when the necessary conditions were met, that the Secretariat could move towards implementing integrated safeguards.

14. The Board also had before it a report on the Agency's efforts to verify the implementation of safeguards in the Republic of Korea (GOV/2004/84). The report, which was based on the Secretariat's verification efforts to date, described a number of occasions on which the Republic of Korea had conducted experiments and activities involving uranium conversion, uranium enrichment and plutonium separation which it had failed to report to the Agency in accordance with its obligations under its safeguards agreement.

15. Since August 2004, when the Republic of Korea had begun providing information to the Agency on its previously undeclared nuclear experiments — in connection with its declarations pursuant to its additional protocol — the Republic of Korea had actively cooperated with the Agency in providing timely information and access to personnel and locations, and had permitted the collection of environmental and other samples for Agency analysis and assessment. The Republic of Korea had also taken corrective action, where appropriate, by providing relevant inventory change reports.

16. As the report stated, the quantities of nuclear material involved were not significant. Nonetheless, given the nature of the activities, the failure of the Republic of Korea to report those activities in accordance with its safeguards agreement was — as he had said to the Board in September — a matter for serious concern. However, based on the information provided by the Republic of Korea and the verification activities carried out by the Agency to date, there was no indication that those undeclared experiments had continued.

17. The Agency would continue to verify the correctness and completeness of the Republic of Korea's declarations made pursuant to its safeguards agreement and additional protocol, and he would continue to report to the Board as appropriate.

18. Developments both in the Republic of Korea and elsewhere had demonstrated the effectiveness of the tools of strengthened safeguards and the additional protocol. As a result, cases were surfacing, and were likely to continue to surface, in which the Agency found that States had not, in the past, fulfilled all their reporting obligations. Most of those cases were failures that could normally be dealt with in the Agency's annual SIR. However, cases where Agency experts concluded that proliferation concerns existed or concealment was involved would be brought to the attention of the Board.

19. The Board had before it a comprehensive report on the Agency's efforts to date to verify the implementation of safeguards in the Islamic Republic of Iran (GOV/2004/83). The report covered both Iran's compliance with its NPT safeguards obligations and its voluntary suspension of enrichment related and reprocessing activities.

20. As the report showed, the Agency had gained a broad understanding of Iran's past undeclared nuclear programme. That had not been an easy task, particularly in the initial phase when the Agency's verification work had been constrained by Iran's policy of concealment, misleading information and delays in access to nuclear material and facilities. Since December 2003, however, Iran had facilitated in a timely manner Agency access under its safeguards agreement and additional protocol to nuclear material and facilities, as well as other locations in the country, and had permitted the Agency to take environmental samples as requested.

21. There remained two important issues concerning Iran's past undeclared programme that were relevant to the Agency's ability to provide an assurance that there were no undeclared enrichment activities in Iran: the origin of the LEU and HEU particle contamination found at various locations in Iran; and the extent of Iran's efforts to import, manufacture and use centrifuges of both the P-1 and P-2 designs. The Agency had been making progress on both issues.

22. With respect to the origin of the contamination, the Agency had asked to be allowed to take samples from the centrifuges and centrifuge components at relevant locations in the State from which most of the imported components originated so that it could independently analyse the samples. Such independent sampling and analysis might enable the Agency to confirm the actual source of contamination and the correctness of statements made by Iran. The Agency had recently reached an agreement with Iran on the basic modalities for such sampling.

23. With respect to the second issue, further investigation was required of the clandestine supply network in order for the Agency to be able to corroborate the information that Iran had provided and to conclude its assessment on the extent of Iran's centrifuge enrichment programme.

24. As stated in the report, while the Agency had reached the conclusion that all declared nuclear material in Iran had been accounted for, and therefore such material had not been diverted to prohibited activities, the Agency was not yet in a position to conclude that there were no undeclared nuclear materials or activities in Iran. The process of drawing such a conclusion after an additional protocol was in force was normally a time-consuming process. However, in view of the past undeclared nature of significant aspects of Iran's nuclear programme and its past pattern of concealment, that conclusion could be expected to take longer than normal. A confidence deficit had been created, and confidence needed to be restored. Iran's active cooperation and full transparency were therefore indispensable.

25. As stated in the report, in a letter dated 14 November 2004, Iran had notified the Secretariat that it had decided to continue and extend its voluntary suspension to include all enrichment related and reprocessing activities.

26. With one exception, the Agency had been able to complete its verification of Iran's suspension of its enrichment related and reprocessing activities. That included: the Agency's application of containment and surveillance measures to the uranium hexafluoride (UF₆) production process; its verification of the suspension of centrifuge component production at declared production locations; and the placement of associated essential equipment under Agency containment and surveillance measures.

27. In its 14 November letter, Iran had also informed the Agency that the in-process inventory of the Uranium Conversion Facility would be brought to a safe, secure and stable state, not beyond uranium tetrafluoride (UF₄), in coordination with the Agency. As nuclear material continued to become available from Iran's clean-out operations, it would be verified and sealed by the Agency. That process was expected to take one month and would be followed by a physical inventory verification. From the time of the meetings of the Board in September until Iran's decision to proceed with full suspension had taken effect, 3.5 tonnes of UF₆ had been produced and a number of new centrifuge rotors had been assembled. The UF₆ material had been placed under Agency containment and surveillance measures.

28. Regarding the Agency's monitoring of centrifuge components, he said that in letters dated 21 and 24 November 2004 Iran had stated that all essential components of centrifuges as defined by the Agency would be placed under Agency seals not later than 24 November 2004. That had been done. However, Iran had stated that it would use up to 20 sets of [centrifuge] components for R&D purposes and provide the Agency with access when requested, and also that the Agency would be provided with ID numbers of those components. In addition, Iran had stated that Atomic Energy Organization of Iran was not intending to use nuclear materials in any of the tests associated with the said R&D. The Secretariat was still in discussion with the Iranian authorities about that request for exemption, and he would update the Board about any new developments.

29. He would continue to report to the Board, as appropriate, both on Iran's implementation of its NPT safeguards obligations and on its voluntary suspension of enrichment related and reprocessing activities.

30. The Agency had not performed any verification activities in the DPRK since December 2002, and could not therefore provide any assurance regarding the non-diversion of nuclear material. He hoped that the six-party talks would, among other things, lead to the return of the DPRK to the non-proliferation regime, and that the Agency would be provided with the required authority to provide credible, comprehensive assurances regarding the nuclear programme in that country.

31. The draft programme and budget for 2006–2007 (GOV/2005/1) had been issued that morning. One major change for the forthcoming biennium was that the budget estimates were for the first time expressed in euros, the currency in which the majority of expenditures under the Regular Budget were incurred. The figures for the major programmes were consistent with those given in the package proposal that had been agreed by the Board in July 2003. Because of the increased security threat to the United Nations and its system of organizations, it had, however, been necessary to seek additional funds to cover the recurrent costs of the security enhancement measures for the Vienna International Centre.

32. The Agency continued to assume growing responsibilities in nearly all areas of its work. In dealing with a broad range of issues in 2004, the value of a close partnership between the Secretariat

and its Member States had been repeatedly demonstrated. He trusted that the relationship would continue to be strong, and that Member States' support would continue to be forthcoming.

2. Technical cooperation: Report of the Technical Assistance and Cooperation Committee (GOV/2004/81, GOV/INF/2004/15)

33. The CHAIRPERSON invited the Board to consider the report of the TACC, contained in document GOV/2004/81. The Board also had before it document GOV/INF/2004/15, which was a communication from Iraq concerning ARASIA. Pursuant to a prior decision of the Board, the acceptance by Iraq of the terms and conditions of the Agreement was being brought to the attention of the Board.

34. Ms. STOKES (Australia) welcomed the Secretariat's ongoing commitment to projects designed to enhance the radiation protection infrastructure in Member States. However, her Government would monitor the implementation of the projects to ensure that the particular advantages of the model projects were not lost, notably their strong regional character and their proactive approach. Australia would submit written comments to the Secretariat on that issue and on the OIOS evaluation of regional cooperation agreements, contained in document GOV/INF/2004/14.

35. Mr. THIEBAUD (France) said that his country had always attached great importance to the Agency's technical cooperation activities. He encouraged the Secretariat in its efforts to ensure greater consistency in programme implementation and to structure the priorities and needs of Member States, given the Agency's limited resources.

36. Technical cooperation activities must be given an adequate budget if such an ambitious programme was to be implemented. France had always paid its contributions to the TCF on time and in full, and it urged all other Member States to do the same. It was also prepared to make a contribution to the financing of footnote-a/ projects.

37. As part of a technical cooperation project involving France, Romania and the United States of America, a consignment of low enriched nuclear fuel had recently been delivered to the Pitesti research reactor in Romania. That project contributed to the Agency's efforts to promote the conversion of nuclear facilities from HEU to LEU fuel in the interests of security and non-proliferation.

38. Ms. MELIN (Sweden) said that her country was a strong supporter of the technical cooperation programme. The newly introduced NPC mechanism was an important expression of commitment by recipient countries. Sweden commended the Secretariat's efforts to improve programme preparation by increasing the use of CPFs and thematic planning. Evaluation of technical cooperation programmes was important in that context, both to improve programmes and to provide accountability feedback for Member States.

39. Sweden was concerned by the failure of many Member States to pay their full TCF target shares, which implied that they did not acknowledge its real importance. Sweden had consistently paid its full target share, and called on other States to do the same.

40. Mr. KUCHINOV (Russian Federation) thanked the Department of Technical Cooperation for preparing the proposed technical cooperation programme for 2005-2006 and expressed his

delegation's support for that programme. Technical cooperation was an essential element of the Agency's work and he welcomed the Secretariat's efforts to increase effectiveness and accountability as regards technical cooperation activities at both the planning and the implementation stage.

41. His delegation was pleased with the Secretariat's efforts to seek new ways of financing the programme, and with the measures it was undertaking to encourage Member States to pay their voluntary contributions to the TCF in full and on time, including the due account principle. His Government, which had authorized the full payment of its own contribution to the TCF for 2004, called on all other Member States to follow suit.

42. Mr. UYANGODA (Sri Lanka) said that the Agency had made every effort to improve the self-reliance and sustainability of national institutions through regional technical cooperation. His own country's atomic energy authority had been able to generate 55% of its operating costs in 2003 through its own activities. His delegation appreciated the Agency's efforts to improve Sri Lanka's radiation protection and waste management infrastructure facilities. Sri Lanka was an active participant in the programmes of the RCA, which had been instrumental in establishing national programmes on the use of nuclear technology in the health, agricultural and industrial sectors. Such regional agreements were effective mechanisms through which transboundary issues relating to safety and security could be addressed. Finally, Sri Lanka believed that adequate and predictable resources would help the Agency fulfil its mandate and promote sustainable development.

43. The CHAIRPERSON, turning to Annex 1 to document GOV/2004/81 containing the proposed technical cooperation programme for 2005–2006, took it that, as recommended by the TACC, the Board wished to take the actions set out in paragraph 17.

44. It was so decided.

45. The CHAIRPERSON, turning to Annex 2 to document GOV/2004/81, took it that, as recommended therein, the Board wished to take note of the Secretariat's report on its evaluation activities in 2004, contained in document GOV/INF/2004/14, including the Secretariat's planned programme of evaluation activities for the year 2005.

46. It was so decided.

47. The CHAIRPERSON then took it that the Board wished to adopt the TACC's report, contained in document GOV/2004/81, as a whole.

48. It was so decided.

49. The CHAIRPERSON thanked Mr. Barbosa Fraga of the Permanent Mission of Brazil for serving as Rapporteur of the Committee and the Mission for having made his services available.

Mr. Niewodniczański (Poland), Vice-Chairman, took the Chair.

3. Measures to strengthen international cooperation in nuclear, radiation and transport safety: The 2005 edition of the Agency's Regulations for the Safe Transport of Radioactive Material (GOV/2004/88)

50. The CHAIRMAN said that the Agency's Transport Regulations were issued as part of its statutory responsibilities and further to an ECOSOC resolution. They served as the basis for part of the United Nations Recommendations on the Transport of Dangerous Goods: Model Regulations (United Nations Model Regulations). As such, they had been periodically revised since they had been first published in 1961. Document GOV/2004/88 presented the changes, as endorsed by the CSS, to be incorporated in the new 2005 edition of the Transport Regulations. The Secretariat would be presenting a document on the policy of revision of transport safety regulations to the Board at its meetings in March 2005.

51. Mr. TANIGUCHI (Deputy Director General for Nuclear Safety and Security), introducing document GOV/2004/88, said that the Board was being invited to approve the 2005 edition of the Transport Regulations so that the Secretariat could convey the Board's decision to the United Nations Committee of Experts on the Transport of Dangerous Goods at the Committee's meeting in December 2004. That would allow the requirements of the 2005 edition to be incorporated in the next edition of the United Nations Model Regulations, the implementation of which would begin on 1 January 2007. As was customary for the review and revision of the Transport Regulations, the Secretariat had consulted widely with Member States. The 2005 revision had been discussed by TRANSSEC and all Member States had been invited to participate. TRANSSEC had endorsed the revision at its meeting in February 2003 and subsequently the Secretariat had sought the views of Member States regarding the 2005 edition by means of a circular letter dated 12 June 2003. The period of consultation had lasted 120 days. After further refinement which had taken the views of Member States into account, TRANSSEC had approved the final edition in March 2004. It had then been submitted for consideration by the CSS and, with the Commission's approval, was now being placed before the Board.

52. The document had been issued with some delay due to the large number of consultations held with experts from Member States and in the Secretariat on whether the time was ripe for proposing to the Board an adjustment to the current policy for the Board's approval of each review and revision of the Transport Regulations. Pursuant to the International Action Plan for the Safety of Transport of Radioactive Material, approved by the Board in March 2004, the Agency should review and, if necessary, revise the Transport Regulations at two-yearly intervals in order to remain in step with the review and revision cycle of the United Nations Model Regulations. A number of Member States had informally expressed doubts regarding the suitability of the two-year review/revision cycle because it was often difficult to make changes in national transport regulations at the same pace. The Department of Nuclear Safety and Security was continuing its consultations on the subject not only with Member States and the United Nations but also with the CSS and TRANSSEC, as well as with the Office of Legal Affairs. Once those consultations were complete, the Secretariat might propose changes for the Board's consideration.

53. Finally, he said that the Secretariat had completed the necessary adjustments to the draft safety requirements for research reactors. That document had been reviewed by safety and security experts and approved by the CSS. It would be translated and distributed for the consideration of Member States, as was necessary for approval at the next meeting of the Board.

54. Ms. FEROUKHI (Algeria), speaking on behalf of the Group of 77 and China, endorsed the recommendation that the Board approve the 2005 edition of the Transport Regulations and authorize the Director General to promulgate that edition as part of the Agency's safety standards. It was only part of the evolving progress towards substantially improving transport safety regulations, and she recalled that issues such as prior notification procedures had not yet been totally covered. Regarding the process for approval and formulation, the Group underlined the importance of having the widest participation of Member States, especially developing ones, and the need for ample time to study the proposed changes in the final draft in order to achieve full transparency.

55. Mr. VIEIRA DE SOUZA (Brazil), speaking on behalf of GRULAC, also lent his support to the recommendation that the Board approve the 2005 edition of the Transport Regulations and, as provided for in the Statute, requested that assistance and services continue to be provided to States so that they could be implemented in an effective manner. The Group supported the idea of the 2005 edition being provided to the United Nations Committee of Experts on the Transport of Dangerous Goods for incorporation in the next edition of the United Nations Model Regulations.

56. Mr. TAKASU (Japan) welcomed the 2005 edition of the Transport Regulations and hoped that it would help promote transport safety. Revision of the Transport Regulations was a significant step in the implementation of the International Action Plan for the Safety of Transport of Radioactive Material, which his country supported as being technically and scientifically sound. Japan hoped that the implementation of the Action Plan would promote international confidence and better understanding of the safety of transport of radioactive material. During discussion of the draft resolution on transport safety at the 48th regular session of the General Conference¹, his delegation had noted that the views of coastal and transporting countries were moving closer together. The resolution had been adopted in a very positive manner, and Japan hoped that that spirit of cooperation and coordination would be strengthened and would contribute to further enhancing the safety of transport of radioactive material.

57. Mr. PROUDFOOT (Canada) supported the recommendation that the Board approve the 2005 edition of the Transport Regulations and welcomed the improvements in the process for reviewing those Regulations. The fact that the Board was discussing the 2005 amendments only a few months after it had approved those for 2003 was a positive development. Canada hoped that that trend would continue. It was important for the Secretariat to publish the new edition in all official languages as soon as possible. Canada looked forward to the Secretariat's recommendations regarding the approval process and hoped that an effective and efficient process would be found that met the needs of the Agency, the Member States and the United Nations regulatory system on the transport of dangerous goods.

58. Mr. MOREJÓN-ALMEIDA (Ecuador) expressed support for the recommendation that the Board approve the 2005 edition of the Transport Regulations and authorized the Director General to promulgate the new edition as part of the Agency's safety standards.

59. Ms. MELIN (Sweden) said that well-founded transport regulations, reflecting developments both in the safety area and in the transport industry, were vital for ensuring safety during the transport of radioactive material. The Agency's Transport Regulations were instrumental in ensuring a coherent basis for international modal regulations and domestic transport regulations. Her delegation was looking forward to receiving information from the Secretariat concerning the results of its review of the policy for publishing revisions or amendments to the Transport Regulations. It was important that

¹ GC(48)/RES/10.C

States implement the regulations in practice, and very frequent revisions might be an impediment to that implementation. Sweden endorsed the recommended action in document GOV/2004/88.

60. Mr. GLASS (United States of America) complimented the Agency on the implementation of a two-year review cycle, which harmonized its actions with those of other international regulatory bodies, and joined other members in approving publication of the 2005 edition of the Transport Regulations. The structured two-year review and revision process for considering changes to the Transport Regulations should continue to adhere to principles that promoted stability of the Regulations, such as ensuring that any proposed changes to the Transport Regulations be considered only when submitted with a firm, written, technical or safety justification. His Government noted the importance for both safety and commerce of the worldwide and timely adoption and use of the Agency's Transport Regulations. The availability of guidance was an essential component in encouraging adoption and use, so the United States strongly encouraged the Agency to consider concurrent publication of the Transport Regulations and the accompanying guidance document (Safety Standards Series No. TS-G-1.1), the 2005 edition of which should be published immediately. However, publication of the 2005 edition of the Transport Regulations should not be delayed in order to accommodate that co-publication. For future review cycles, his delegation hoped that emphasis would be placed on concurrent publication.

61. Mr. DE CEGLIE (Italy) was in favour of the Board approving the 2005 edition of the Transport Regulations and authorizing the Director General to promulgate it as part of the Agency's safety standards. He said that it would be useful if the Board could adapt its review and revision procedure to the cycle of the United Nations Model Regulations, and his delegation invited the Secretariat to study ways and means of achieving that objective.

62. Mr. RÓNAKY (Hungary) supported the Board's approval of the 2005 edition of the Transport Regulations and appreciated the Agency's continuing efforts in that regard. Hungary would carefully review its domestic regulations and, if necessary, modify them so that they came fully in line with the new Agency Transport Regulations as soon as was practically achievable. Hungary hoped that all other Member States would do the same.

63. Mr. KELLY (Australia) also welcomed the 2005 edition of the Transport Regulations and supported their implementation by all Member States. He noted the importance of continuing work on the International Action Plan for the Safety of Transport of Radioactive Material, including resolving the problem of the denial of shipments for radioactive materials such as medical isotope products.

64. Ms. KELLY (Argentina) expressed her country's support for the 2005 edition of the Transport Regulations and endorsed the recommendation that it be published so that its provisions could be incorporated in the next edition of the United Nations Model Regulations.

65. Mr. KUCHINOV (Russian Federation) noted that, historically, the safety record of maritime transport of nuclear materials had been excellent, as acknowledged in resolution GC(48)/RES/10.C. The technical and organizational provisions of the Transport Regulations had to correspond to the demands of the moment and needed to be revised on a timely basis. It was important for the regular two-year review/revision process to take account of the latest work done in the area by the Agency, the ICRP and other competent international organizations and forums. The Russian Federation had no objection to the Board approving the 2005 edition of the Transport Regulations, as recommended in document GOV/2004/88.

66. Ms. ESPINOSA CANTELLANO (Mexico) said that her country, which had traditionally been a driving force in managing radioactive sources in North America, had participated in the technical meetings which had resulted in the 2005 edition of the Transport Regulations. Her delegation was pleased that the 2005 edition emphasized the security aspect of the transport of radioactive material

and that the proposed changes gave added clarity to the Regulations. Mexico endorsed the recommendation that the Director General promulgate the 2005 edition as part of the Agency's safety standards.

67. Mr. ZHANG Yan (China) said that Chinese experts had participated in the work of TRANSSEC and contributed to the review and revision process of the Transport Regulations. China supported the new edition. They benefited both Member States and the international community, providing a valuable reference and basis for determining the appropriate level of supervision. China also supported the Agency's efforts to promote the Regulations widely among Member States, and encouraged the Agency to promote coordination with the United Nations and other relevant international organizations.

68. He noted with satisfaction that the Transport Regulations had already been incorporated into the United Nations Model Regulations, which had been widely accepted by the international community. For its part, China would be referring to the Agency's Regulations in developing and revising its national standards and regulations.

69. Over-frequent revision of the Transport Regulations was not conducive to their wide application by Member States, and his delegation looked forward to receiving the Secretariat's report on its revision policy. The Regulations should be published in all official languages as soon as possible and the accompanying guidance material should also be revised and published along with any new edition of the Regulations.

70. Mr. Chang-beom CHO (Republic of Korea) said that the Agency's Transport Regulations were playing a fundamental role in ensuring the safe transport of radioactive material all over the world, and that the harmonized implementation of the Regulations among countries would contribute to solving the problem of denying shipments of radioactive material and equipment, particularly for medical and industrial uses.

71. A two-year review cycle for the Regulations was needed to harmonize with other United Nations bodies and to keep the Regulations up-to-date and of the highest quality. However, many countries could have difficulty in changing their national regulations every two years. In Korea, for example, it usually took more than three years to change high-level legislation. His delegation hoped that the review and inclusion of minor amendments would continue on a two-year basis and that major revisions would be carried out at less frequent intervals, giving sufficient time to deliberate on the justification of such changes, thereby ensuring high quality and reducing the frequency of corrections.

72. Ms. AZURÍN ARAUJO (Peru) suggested designating corresponding members on the committees reviewing the Agency's standards to facilitate broader participation by Member States, especially developing coastal States. Her delegation encouraged the Secretariat to bear in mind the experience gained in that respect when considering the composition of the CSS and TRANSSEC.

73. Mr. GHEGHECHKORI (Georgia)*, speaking on behalf of the GUUAM Group, said that the Group attached importance to the Agency's activities to strengthen international cooperation in nuclear, radiation and transport safety. He expressed satisfaction with the Agency's activities to enhance the efficiency of application of the Transport Regulations and welcomed international efforts to that end. The 2005 edition of the Transport Regulations would assist Member States in bringing national activities in line with the internationally recognized safety standards. The GUUAM Group commended the Secretariat's efforts, and those of Member States' experts, in preparing the 2005 edition, which provided a timely upgrade in the area of the transport of radioactive material. The Secretariat should continue to conduct regular reviews and, if necessary, provide for additional measures to facilitate the exchange of information and resources in that regard.

74. Mr. UYANGODA (Sri Lanka) said that the approval and promulgation of the 2005 edition of the Transport Regulations was only part of the evolving process aimed at substantially improving transport safety regulations as issues such as prior notification procedures had not yet been thoroughly covered. He stressed the importance of the widest possible participation by Member States, especially developing countries, in that process and the need for ample time to study proposed changes in order to ensure maximum transparency.

75. Ms. BRIDGE (New Zealand)*, welcoming the revised Transport Regulations, noted that consultations were under way on the two-yearly review cycle recommended by the United Nations. Her delegation supported review of the Regulations every two years as it was important that the Transport Regulations were as up-to-date as possible.

76. Mr. UMAR (Nigeria) said that his country's interest in issues concerning the safety of radioactive material had increased following the recent commissioning of its first nuclear research reactor, and also given that a large irradiation facility was planned to go into operation by the end of 2005 and that a compact tandem accelerator was to be built under the Agency's technical cooperation programme for 2005–2006. His delegation supported the recommended action in document GOV/2004/88.

77. Mr. TANIGUCHI (Deputy Director General for Nuclear Safety and Security) expressed appreciation for the valuable comments made, which would be taken into consideration. Efforts would be made to publish the revised Transport Regulations in English and all other official languages as soon as possible. Consultations on the review process would continue. With regard to participation in that process, TRANSSEC would begin a new term in 2005, and he asked Member States to nominate representatives to serve on the Committee, which was open to appropriate experts from all interested Member States.

78. The CHAIRMAN, summing up, said that several members had expressed their support for the proposed revision of the Agency's Transport Regulations. Some had encouraged the Secretariat to continue assisting Member States in their effective implementation.

79. Revision of the Transport Regulations had been seen as a significant step in the implementation of the Action Plan for the Safety of Transport of Radioactive Material.

80. Several members had considered them as only a part of the evolving progress substantially to improve transport safety regulations as other issues, such as prior notification procedures, had not yet been totally covered.

81. Several members had emphasized that the revision cycle should harmonize the Agency's activities with those of other international regulatory bodies and looked forward to receiving the Secretariat's report on the policy of revision of those standards at the meetings of the Board of Governors in March 2005. Others had stressed the importance of the widest participation of the Member States, especially developing ones, in the formulation and approval process to achieve full transparency. The Secretariat had been urged to publish the new edition of the Transport Regulations in all official languages as soon as possible.

82. He took it that the Board wished to approve the 2005 edition of the Transport Regulations with the changes to the 1996 edition (as amended 2003) presented in Annex 1 to document GOV/2004/88 and authorize the Director General to promulgate the 2005 edition as part of the Agency's safety standards.

83. It was so decided.

Ms. Hall (Canada), Chairperson, resumed the Chair.

4. Nuclear verification

(a) The conclusion of safeguards agreements and of additional protocols (GOV/2004/91, GOV/2004/92 and GOV/2004/93)

84. The CHAIRPERSON noted that the Board had three documents before it relating to the conclusion of an additional protocol with Colombia (GOV/2004/91) and a comprehensive safeguards agreement and an additional protocol thereto with Uganda (GOV/2004/92 and 93).

85. Mr. VIEIRA DE SOUZA (Brazil), speaking on behalf of GRULAC, said that his region, as the first NWFZ in the world, welcomed Colombia's decision to sign an additional protocol to its safeguards agreement with the Agency.

86. Mr. TAKASU (Japan), welcoming the positive steps taken by Uganda and Colombia, said that his country was one of the strongest supporters of the universalization of the additional protocol. It had contributed positively to a series of regional seminars organized by the Agency, including the seminar for the South Pacific region on the conclusion and implementation of safeguards agreements and additional protocols just held in Sydney following the ministerial meeting of the Asia-Pacific Nuclear Safeguards and Security Conference. Japan was committed to promoting similar activities in cooperation with the Secretariat.

87. It was less than half a year until the 2005 NPT Review Conference. For that to be a success it was essential that every effort be made to reduce significantly the number of States Party to the NPT that had not concluded a comprehensive safeguards agreement and to achieve wider adherence by all countries to a strengthened safeguards system, including the additional protocol. Japan would work together with other members of the international community towards that goal.

88. Mr. MOREJÓN-ALMEIDA (Ecuador) expressed appreciation for the steps taken by Colombia and Uganda in connection with the NPT.

89. Ms. ŽIAKOVÁ (Slovakia), welcoming the decisions of Colombia and Uganda, noted that a significant number of States had yet to conclude safeguards agreements pursuant to the NPT and sign additional protocols. She urged such States to do so without delay.

90. Mr. D. NOBLE (United States of America), echoing others' support for the steps taken by Colombia and Uganda, said that strengthening the Agency's safeguards system was a matter of the utmost importance, and that no effort should be spared in seeking universal adherence to the system. The G8 was continuing its worldwide diplomatic effort to persuade States to sign and bring into force safeguards agreements and additional protocols. In that context, the United States offered its full support for the Secretariat's safeguards outreach efforts and encouraged others to do likewise.

91. Mr. PROUDFOOT (Canada) welcomed the decisions of Colombia and Uganda and said they represented another step towards the universalization of the additional protocol, which was the current standard for safeguards agreements fulfilling Article III of the NPT.

92. Mr. GULAM HANIFF (Malaysia)*, speaking on behalf of NAM, expressed support for the establishment in the Middle East of a zone free of all WMDs and reaffirmed the need for a NWFZ in that region in accordance with the relevant Security Council and General Assembly resolutions. He called on all the parties concerned to take urgent and practical steps towards the establishment of such a zone and, pending its establishment, called on Israel, as the only country in the region that had not joined the NPT or declared its intention of doing so, to renounce the possession of nuclear weapons, to accede to the NPT without delay, promptly to place all its nuclear facilities under Agency full-scope

safeguards and to conduct its nuclear-related activities in conformity with the non-proliferation regime.

93. He took note of the decisions of the Governments of Colombia and Uganda with regard to the conclusion of a safeguards agreement and additional protocols.

94. Ms. ESPINOSA CANTELLANO (Mexico) was pleased at Colombia's decision to sign an additional protocol. Mexico had signed an additional protocol in March and was taking the necessary steps to ensure its prompt ratification.

95. Ms. AZURÍN ARAUJO (Peru) joined others in welcoming Colombia's decision to sign an additional protocol and Uganda's decision to sign a safeguards agreement and an additional protocol thereto.

96. Mr. DAOUAS (Tunisia) commended Uganda and Colombia for their decisions. Tunisia, which had also decided to sign an additional protocol, had held preliminary discussions with the Secretariat in that connection.

97. Ms. BOGORE (Burkina Faso)*, speaking on behalf of the African Group, likewise welcomed Uganda's decision to conclude a safeguards agreement and an additional protocol.

98. Ms. FEROUKHI (Algeria) joined other delegations in welcoming the decisions by Uganda and Colombia to sign an additional protocol, a step which Algeria had also taken recently. She agreed that, to enhance their credibility, the verification and non-proliferation instruments must be applied to all Member States.

99. Mr. ARÉVALO YÉPES (Colombia)* said that the decision to sign an additional protocol to its safeguards agreement showed his country's firm commitment to disarmament and non-proliferation. Those were the basic principles underlying Colombia's foreign policy and were crucial to international security. The way to achieving them was in a multilateral framework with full respect for the rights and obligations of States and with the participation of the entire international community.

100. Colombia, as part of the world's first NWFZ, was firmly committed to the NPT and to the Tlatelolco Treaty. It supported multilateral initiatives aimed at freeing the world from the threat of the spread of WMDs, the possible misuse of nuclear weapons for terrorist purposes and, indeed, the very existence of nuclear weapons.

101. The additional protocol greatly strengthened the Agency's safeguards system, which was indispensable for not only preventing the development and proliferation of nuclear weapons but also guaranteeing access to nuclear energy for peaceful uses. Colombia urged Member States to strive for its universalization. Colombia, which had the technical and administrative capability to meet the new obligations stemming from the additional protocol would, pending the Board's decision, sign the additional protocol and fulfil all the legal and constitutional requirements for its entry into force.

102. In closing, he stressed the importance for the international community of initiatives aimed at the prohibition and elimination of nuclear weapons and the creation of NWFZs like the one in Latin America and the Caribbean.

103. The CHAIRPERSON, summing up the discussion, noted that concern had been expressed by some speakers at the slow progress in the conclusion and entry into force of additional protocols. They had expressed the view that States party to safeguards agreements that had not yet done so should conclude and bring into force additional protocols as soon as possible.

104. She took it that the Board wished to take the action recommended in document GOV/2004/92 and authorize the Director General to conclude with the Government of Uganda, and subsequently implement, the comprehensive safeguards agreement which was the subject of that document.

105. It was so decided.

106. The CHAIRPERSON then took it that, with regard to the additional protocols under consideration, the Board wished to take the action recommended in documents GOV/2004/91 and GOV/2004/93 and authorize the Director General to conclude with the Governments of Colombia and Uganda, and subsequently implement, the additional protocols which were the subjects of those documents.

107. It was so decided.

(b) Reviews of the safeguards programme and criteria: Report by the Director General
(GOV/2004/86)

108. The CHAIRPERSON said that, as part of the package proposal agreed to by the Board in June 2003 on the programme and budget for 2004-2005, an evaluation of the effectiveness and efficiency of the safeguards programme had been conducted by a panel of independent external evaluators coordinated by OIOS, and a specific technical review of the safeguards criteria had been undertaken by SAGSI. The OIOS evaluation had been considered earlier in the year by the PBC and the June Board. The report in document GOV/2004/86 summarized the outcome of both reviews and the Secretariat's proposals for action to be taken in response to the recommendations made.

109. Mr. GOLDSCHMIDT (Deputy Director General for Safeguards) said that the results of the two independent reviews of the Safeguards Department contained in document GOV/2004/86 detailed the findings, recommendations and proposed Agency actions in response to the recommendations.

110. The purpose of the evaluation of Major Programme 4 had been twofold: first, to evaluate the progress achieved since 1997-1998 and future plans for implementing measures to enhance the Agency's ability to draw conclusions on the non-diversion of the nuclear material placed under safeguards and on the absence of undeclared nuclear material and activities in the relevant States; and second, to recommend, in the light of the panel's findings, any adjustments in focus, priorities, process and strategy deemed appropriate.

111. The outcome of the evaluation had been quite positive. The panel of evaluators had found that "generally, the Department has done a very good job of implementing the safeguards strengthening measures despite budgetary and other constraints during this period" and that "the Department has made very satisfactory progress toward achieving its strategic objectives." It had also been "impressed by what appears to be very positive interaction between" operational activities and support functions. It had noted, however, that despite the progress made, more needed to be done in some areas.

112. The purpose of the evaluation conducted by SAGSI during the second half of 2003 and first half of 2004 had been to review the role, structure and content of the Agency's safeguards criteria and to make recommendations for any specific changes that would improve the efficiency of safeguards while maintaining the ability of the safeguards system to provide credible assurance of the non-diversion of nuclear material from declared activities and, as appropriate, the absence of undeclared nuclear material and activities.

113. In the introduction to its summary of major findings, SAGSI had stated that "while useful savings can be achieved under 'traditional' safeguards it is through the introduction of integrated safeguards — following implementation of an additional protocol (AP) and the drawing of the broader

safeguards conclusion — that the opportunity for greatest efficiencies (and effectiveness) arises”. The Secretariat shared that view and was making every effort to carry out the activities and draw the necessary conclusions in order to introduce integrated safeguards as quickly as possible in States with an additional protocol in force.

114. The Department had carefully considered the recommendations resulting from both evaluations and had already taken action to implement some of them, as indicated in the report. While some of SAGSI’s recommendations were new, SAGSI noted that in a number of cases its recommendations were endorsing and encouraging changes that were already under way. In addition, some of the recommendations from the SAGSI review suggested further areas of investigation which would be explored in the future by both the Department and by SAGSI.

115. In many cases, the Department had already made significant progress in addressing the recommendations made by the reviews. For example, the structure and content of the SIR for 2003 had been significantly modified to reflect properly the differences in capability to detect undeclared nuclear material and activities at declared and undeclared locations and to differentiate between the nature of safeguards conclusions drawn for States based upon the type of safeguards agreement they had in force. Another example was with regard to the implementation of quality management. All high-level managers of the Department had endorsed a quality management policy and identified quality managers, and a project had been created under which quality management was being further implemented.

116. Mr. GULAM HANIFF (Malaysia)*, speaking on behalf of NAM, recalled that when the Board had met in 2003 to discuss the Agency’s programme and budget for 2004–2005, it had been agreed to review the modernization, flexibility and cost-effectiveness of safeguards working methods as part of a package proposal and to inform the Board of the outcome. It was essential to maintain the delicate balance between the different elements of the package. Some recommendations in the report under consideration departed from the original intention of the review exercise. Also, more time was required for further examination of the Secretariat’s proposals for action to be taken in response to the recommendations.

117. Mr. VIEIRA DE SOUZA (Brazil), speaking on behalf of GRULAC, said that the Group attached the greatest importance to the Agency’s verification activities. GRULAC welcomed the review of the modernization, flexibility and cost-effectiveness of safeguards working methods, the evaluation of the effectiveness and efficiency of the safeguards programme, and the specific technical review of the safeguards criteria. The Safeguards Department should use those assessments to make appropriate improvements.

118. GRULAC was pleased that, as stated in paragraph 6(b), “the Department has made very satisfactory progress towards achieving its strategic objectives”, but also noted the references made by the evaluators to resource constraints. In that connection, the Group recalled the significant increase in the resources of Major Programme 4 approved in 2003 and its impact on Member States’ assessed contributions. The Group stressed the need for a balance between the Agency’s statutory activities in terms of available resources and support.

119. It was essential for the Safeguards Department to continue taking measures and implementing actions to ensure the cost-effective application of safeguards so that some of the actions in document GOV/2004/86 could be useful. The Group endorsed the evaluators’ view, set down in the executive summary in Annex A, that “further efforts are needed to improve efficiency and to optimize the use of human and financial resources while maintaining effectiveness”. It agreed with the point made in recommendation A3 that the Agency should seek and consider possibilities for enhanced cooperation with SSACs, aiming at greater effectiveness and cost savings through improved efficiency. Also,

GRULAC noted that both the panel of evaluators and SAGSI had concluded (para. 14) that a key priority now was the wider implementation of integrated safeguards, which would provide the opportunity for the greatest efficiencies and effectiveness, particularly in States with large nuclear programmes. In the case of the implementation of integrated safeguards, GRULAC considered it to be of fundamental importance to uphold non-discrimination values, as stressed in major finding B5.

120. GRULAC underscored the importance of consultations between the Secretariat and Member States on the report's conclusions and recommendations and on implementation of the actions.

121. Mr. TAKASU (Japan) said that during the discussion on the Agency's 2004–2005 Regular Budget in 2003, his country had stressed the need for ongoing efforts to review and improve safeguards activities in order to utilize the latest technological developments and maintain the highest level of management efficiency. As the Director General's report had rightly pointed out, with the recent increase in verification activities worldwide, it was essential for the Agency to improve constantly the efficiency of its safeguards activities through modernization, rationalization and prioritization. Indeed, such improvements had been a condition for Japan's acceptance of the significant increase in the safeguards budget and the budget package proposal. Japan acknowledged the serious efforts made by the panel of external auditors and SAGSI. It was encouraged by the high priority the Secretariat attached to the matter. The key issue was how to optimize safeguards resources to ensure non-diversion of nuclear materials for any military purpose and to promote non-proliferation.

122. Japan attached special importance to recommendation A7. In 2004, after a long and laborious process, Japan had become the first State with major fuel cycle activities in which integrated safeguards had been applied, starting with light water reactors, research reactors and spent fuel storage facilities. That decision would lead to significant efficiency gains, and Japan was actively cooperating with the Agency towards that end. His delegation strongly hoped that the Agency would utilize the experience gained from that process to accelerate the application of integrated safeguards in other States with significant nuclear activities and to ensure the most effective distribution of limited resources. In particular, the Secretariat should provide Member States with information on the further development of facility-type integrated safeguards approaches for enrichment plants, storages, 'other facilities' and locations outside facilities, as indicated in action A7(3), and should step up its efforts to that end. Japan also stressed the importance of a State level approach (major finding B3).

123. Japan took note of recommendation A8, which underscored that annual and biannual reviews and updates of the Medium Term Strategy should be systematically completed in order to ensure that the "objectives, performance indicators and milestones at the project level are specific and quantifiable where appropriate" (action A8(3)). In that context, major finding B6, according to which "assessment of efficiency and savings — is hampered by a lack of accurate cost information", was of particular importance to Japan. His Government fully agreed with SAGSI that better information was necessary to assess the efficiency of safeguards, since the person-day of inspection (PDI) did not accurately reflect the activities in regional field offices, analytical laboratories or at headquarters (Annex B, major finding B6). Japan strongly hoped that the Secretariat would take appropriate action to follow up on that recommendation.

124. As safeguards activities were becoming increasingly complex and in some cases even politically sensitive, strong and smooth-functioning coordination between operational and support functions was indispensable. Japan welcomed the panel's evaluation that there was a positive interaction between the operational and support units. It supported recommendation A2 on strengthening the team concept and recommendation A4 concerning enhancement of the in-house capability to analyse open source information, satellite imagery and information conveyed by third parties, utilizing available resources.

125. It was the responsibility of not only the Secretariat but also Member States to make efforts to improve the efficiency of safeguards activities. That included the development of strong and efficient SSACs. Japan strongly hoped for improved cooperation between Member States and the Agency and would like to see follow-up actions in response to recommendation A3 and major finding B8.

126. Criteria and approaches for facilities, including fuel fabrication facilities handling depleted, natural and low enriched uranium and enrichment plants, should be reviewed by SAGSI in the future. The application of integrated safeguards for light water and research reactors, which had just started in Japan, deserved close attention and was most welcome. However, to ensure more effective and efficient safeguards activities, particularly for States with major nuclear fuel cycle activities like Japan, the application of integrated safeguards for sensitive nuclear facilities such as enrichment, fabrication and reprocessing plants must be carefully examined. As those installations accounted for the majority of safeguards activities, the Secretariat should consider the issues in detail and take full advantage of the knowledge and experience of experts in the area.

127. Japan stressed the importance of the universalization of the additional protocol, which would enable the Agency to rationalize and prioritize its activities through the application of integrated safeguards.

128. Although extremely valuable, the report was only one step in an ongoing process to review safeguards activities. Both the Secretariat and Member States needed to make constant efforts in that regard. Japan hoped that the Secretariat would pay the utmost attention to the recommendations of SAGSI and the panel and move promptly to take the necessary steps for implementation. SAGSI should continue to conduct further technical reviews and advise on concrete measures to be taken. Through those joint efforts, the highest possible efficiency and effectiveness of the safeguards system would be maintained and ensured.

The meeting rose at 1 p.m.