

IAEA Board of Governors  
Record of the 1119<sup>th</sup> Meeting  
GOV/OR.1119

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Nuclear Verification

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

Nuclear Verification

(c) Other safeguards implementation issues (Malaysia)

Nuclear Verification

(c) Other safeguards implementation issues (Indonesia)

# Board of Governors

**GOV/OR.1119**

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## Record of the 1119<sup>th</sup> Meeting

*Held at Headquarters, Vienna, on Tuesday, 1 March 2005, at 3.05 p.m.*

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<sup>1</sup> GOV/2005/15.



## 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)
Ms. FEROUKHI	_____	Algeria
Mr. SAYÚS		Argentina
Ms. STOKES		Australia
Mr. NIEUWENHUYS		Belgium
Mr. VIEIRA DE SOUZA	}	Brazil
Mr. LOPES DA CRUZ		
Mr. VIDRICAIRE		Canada
Mr. ZHANG Yan		China
Mr. MOREJÓN-ALMEIDA		Ecuador
Mr. THIEBAUD	}	France
Mr. QUAGLIA		
Mr. SANDTNER		Germany
Mr. BEKOE		Ghana
Mr. HORVÁTH		Hungary
Mr. SHARMA		India
Mr. DE CEGLIE		Italy
Mr. TAKASU	}	Japan
Ms. OZAKI		
Mr. Chung-ha SUH	}	Korea, Republic of
Mr. Chul Min PARK		
Mr. PEÑA HALLER		Mexico
Mr. KOP		Netherlands
Mr. SAMBO		Nigeria
Mr. BUTT		Pakistan
Mr. BELEVAN MCBRIDE	}	Peru
Ms. AZURÍN		
Mr. NIEWODNICZAŃSKI		Poland
Mr. DA SILVA SENNFELT		Portugal
Mr. BERDENNIKOV	}	Russian Federation
Mr. POPOV		
Mr. MANIAR		Singapore
Mr. MACHÁČ	}	Slovakia
Ms. ŽIAKOVÁ		
Mr. MINTY		South Africa
Ms. WIJEWARDANE		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. SEMMEL		

**Attendance** (continued)

Ms. GARCÍA DE PÉRES	Venezuela
Mr. LAINGOC DOAN	Vietnam
Mr. BAHRAN	Yemen
Mr. ELBARADEI	Director General
Mr. BURKART	Deputy Director General, Department of Nuclear Sciences and Applications
Mr. SOKOLOV	Deputy Director General, Department of Nuclear Energy
Mr. GOLDSCHMIDT	Deputy Director General, Department of Safeguards
Mr. ANING	Secretary of the Board

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

Albania, Angola, Armenia, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Chile, Colombia, Côte d'Ivoire, Croatia, Czech Republic, Egypt, Estonia, Finland, Greece, Holy See, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Kenya, Kuwait, Latvia, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Malaysia, Malta, Mongolia, New Zealand, Norway, Panama, Philippines, Republic of Moldova, Romania, Saudi Arabia, Serbia and Montenegro, Slovenia, Spain, Sudan, Switzerland, Turkey, Ukraine, United Arab Emirates, Zimbabwe.

**Abbreviations used in this record:**

AEOI	Atomic Energy Organization of Iran
AUC	ammonium uranyl carbonate
CSAs	comprehensive safeguards agreements
DIQ	Design Information Questionnaire
EFTA	European Free Trade Association
EU3	France, Germany and the United Kingdom
G8	Group of Eight
GIF	Generation IV International Forum
GUUAM	Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova
INPRO	International Project on Innovative Nuclear Reactors and Fuel Cycles
ITER	International Thermonuclear Experimental Reactor
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review and Extension Conference	Review and Extension Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
OECD/NEA	Nuclear Energy Agency of the Organisation for Economic Cooperation and Development
PATTEC	Pan African Tsetse and Trypanosomosis Eradication Campaign
Pelindaba Treaty	African Nuclear-Weapon-Free Zone Treaty
PFEP	Pilot Fuel Enrichment Plant
PHRC	Physics Research Centre
SAGNA	Standing Advisory Group on Nuclear Applications
SAGNE	Standing Advisory Group on Nuclear Energy
SQPs	Small Quantities Protocols
UCF	Uranium Conversion Facility
UOC	uranium ore concentrate

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



#### **4. Strengthening the Agency's activities related to nuclear science, technology and applications: Nuclear Technology Review — Update 2005 (continued)** (GOV/2005/5)

1. Mr. BEKOE (Ghana), having welcomed the draft Nuclear Technology Review — Update 2005, emphasized the importance of reliable nuclear data for — inter alia — research reactor utilization in neutron activation analysis and in the production of radioisotopes for agricultural, industrial and medical research. His country needed reliable nuclear data for the design of facilities for cancer treatment by its oncologists and medical physicists.
2. Ghana was about to embark upon an energy planning study that would cover petroleum, natural gas, solar energy, wind power, hydropower, nuclear power and other options. Information like that provided in section B of the document under consideration would undoubtedly influence the decision to be taken by Ghana regarding the role of nuclear power in its future energy mix.
3. Ghana was grateful to the Agency for supporting various uses of nuclear techniques in agriculture and related areas — techniques that were helping to solve problems of high national priority in many developing Member States.
4. Referring to section G (Research Reactor Utilization) of the document under consideration, he said that his country, which agreed with the conclusion arrived at in the Scientific Forum held during the 2004 session of the General Conference, would continue to operate and utilize its research reactor in a safe and secure manner. Referring to section H (Accelerator Utilization), he said that Ghana was seriously contemplating the acquisition of a compact accelerator and was interested in acquiring, with Agency support, one which would be easy to maintain, reliable and safe to operate.
5. His delegation hoped that the Agency would do its utmost to make the benefits of techniques such as single photon emission computed tomography (SPECT) and of nanotechnology used in radiation processing widely available to developing Member States.
6. A number of African countries would, as they developed, encounter very serious electricity shortages. Those countries should be made more clearly aware of the potential of nuclear power, especially as the lead times for nuclear power projects were of the order of ten years.
7. Mr. THIEBAUD (France), welcoming the document under consideration, said that his delegation shared the views expressed in it regarding the prospects for nuclear power generation.
8. The recent entry into force of the Kyoto Protocol would undoubtedly result in greater importance being attached to expanded power generation without an increase in greenhouse gas emissions. The advantages in that respect of power generation by nuclear reactors were recognized — security of energy supplies and minimum carbon dioxide emissions. Moreover, the contributions which non-power applications of nuclear energy could make to sustainable development — for example, in agriculture and seawater desalination — also opened up new prospects.
9. For over 30 years, France had been pursuing an ambitious energy policy, with diversified, economic and environmentally friendly energy supplies based largely on nuclear power generation. A national energy debate during 2003–2004, organized by the French Government, had resulted in a consensus on the need for continued energy independence and on issues crucial to France's energy



policy — competitiveness, respect for the environment, the right to energy, and international coordination. At the end of 2004, the French National Assembly had adopted a framework law confirming the need for a diversified energy mix in which nuclear power would continue to have a recognized place and opening the way for the construction in France, in the near future, of the European pressurized water reactor (EPR).

10. In the light of the renewed realization of the advantages of nuclear power generation, the Director General — in close liaison with the Director General of OECD/NEA and with the relevant French authorities — was organizing an International Ministerial Conference on Nuclear Power for the 21<sup>st</sup> Century, which was due to take place in Paris on 21 and 22 March 2005 and would be hosted by the French Government. Among the topics to be covered were: world energy needs and resources; environmental challenges; nuclear industry choices; and governance of the nuclear industry, including the application of non-proliferation principles.

11. Research relating to future nuclear power generation systems was an international challenge being responded to through INPRO, which had highlighted the prospects of innovative systems. France, a full INPRO member since mid-2004, was closely following developments, particularly by participating in the deliberations of the INPRO Steering Committee. It would be basing the INPRO-related work of French organizations on INPRO's case study approach.

12. In line with guidance given by the General Conference, France was keen that advantage be taken of synergies between INPRO and similar initiatives, particularly the Generation IV International Forum (GIF).

13. The previous day, in Washington D.C., five of the eleven GIF members (the United States, Canada, Japan, the United Kingdom and France) had signed a framework agreement marking the start of the active cooperation phase. The other GIF members would accede to the agreement soon.

14. Referring to section D (Human Health) of the document under consideration, he suggested the inclusion, in the final version of the document, of information on the NeuroSpin project under way in France — a neuroimaging project aimed at the development of tools for better analysing human brain functions. The NeuroSpin project would coordinate research, create a network of physicist and neurobiologists and optimize the utilization of resources at the national, the regional and the international level, resulting in substantial innovations.

15. As part of its effort to promote food security in African Member States with the help of nuclear techniques, France was providing substantial support to PATTEC.

16. In conclusion, he reaffirmed the importance attached by his country to the role of the power and non-power applications of nuclear energy in helping to achieve environmentally friendly sustainable development.

17. Mr. BAHRAN (Yemen) said that his country attached great importance to the peaceful applications of nuclear energy and to the Agency's efforts in promoting those applications — and hence to the maintenance of a balance between the promotional and other statutory activities of the Agency.

18. As regards applications of nuclear energy in the field of human health, the previous day Yemen's radiation oncology centre had started treating its first cancer patient — an 11-year-old boy to whom he wished a speedy recovery.

19. The radiation oncology centre had been established with technical assistance provided through the Agency, to which the people and the Government of Yemen were extremely grateful.

20. Mr. LOPES DA CRUZ (Brazil), having welcomed the document under consideration, said that, in his country's view, nuclear power would have a significant role to play in helping to meet the medium- and long-term demand for electricity on an economically competitive and environmentally sound basis.
21. Brazil, which attached great importance to INPRO and the Generation IV International Forum and was participating in both, would like to see close cooperation between them, especially in the establishment of common assessment procedures and parameters.
22. Referring to paragraph 43 of the document under consideration, entitled 'Nuclear technology and the non-proliferation of nuclear weapons', he said that Brazil remained committed to nuclear non-proliferation. In its view, however, account should always be taken of the inalienable right of Member States to develop research, production and use of nuclear energy for peaceful purposes without discrimination, in accordance with Article IV of the NPT.
23. Mr. PEÑA HALLER (Mexico), welcoming the document under consideration, said it showed in an objective manner that nuclear technology would continue to be important for the quality of life of humankind.
24. Mexico attached particular importance to the Agency's activities relating to nuclear applications connected with food security, human health, sustainable water management, environmental protection, industry and power generation.
25. In his delegation's view, the Agency was doing useful work in helping to combat poverty, disease and environmental pollution in support of the attainment of the Millennium Development Goals. His delegation would like to see an expansion of the Agency activities in question through the technical cooperation programme, which was an important instrument for enabling developing countries to benefit from the application of nuclear techniques.
26. His delegation had been interested to learn that — as indicated in paragraph 43 — work had continued within the framework of INPRO and the Generation IV International Forum in support of the development of proliferation-resistant nuclear power technologies.
27. Mr. POPOV (Russian Federation) said that the Agency's Nuclear Technology Reviews were becoming increasingly informative and that they did not overlap with the Annual Reports of the Agency. The information in them was useful for decision-making in the light of considerations such as safety, proliferation resistance, economic competitiveness, environmental protection and public acceptance. His delegation would like to see future Nuclear Technology Reviews based on the approach adopted by the Secretariat in preparing the document now before the Board.
28. In his delegation's view, the Agency should, within the framework of its regular programme, pay particular attention to forecasting how large-scale nuclear power generation was likely to develop. With clear-cut forecasts of the potential for nuclear power generation and of the challenges that might be encountered in the near future, it would be possible to determine key indicators and acceptable limits, enabling nuclear power generation to become an important element of sustainable world energy development.
29. Such forecasting was a natural Agency function and was expected of the Agency by Member States. The Agency had the necessary resources and, drawing on the preliminary results of INPRO, could do a very useful job.
30. His delegation hoped that, in preparing the final version of the document under consideration, the Secretariat would correct errors such as the incomplete enumeration of INPRO members in

paragraph 52 and provide a more detailed description of INPRO activities — including the joint studies on innovative nuclear power systems being carried out by various groups of States.

31. Mr. Chung-ha SUH (Republic of Korea), welcoming the document under consideration, said that his country remained fully committed to the Agency's activities relating to nuclear science and technology.

32. With regard to the entry into force of the Kyoto Protocol, his country was of the view that the current exclusion of nuclear power from the 'Kyoto flexible mechanisms' was largely symbolic as far as nuclear energy development up to the year 2012 was concerned and that the Agency should continue to provide authoritative and reliable information on the potential future role of nuclear power.

33. With regard to the nuclear desalination of seawater, his country attached great importance to the quality of the desalinated water produced — a crucial issue from the standpoint of public acceptance of nuclear desalination. It would like the Secretariat to look into monitoring techniques for checking on radiation levels in water desalinated by nuclear desalination plants. Also, it believed that an international quality standard and international quality assurance procedures should be developed in that connection.

34. The Republic of Korea, which welcomed the Agency's efforts to maintain a focus on the potential for innovative small and medium-sized reactor designs, had — as indicated by the Director General in his introductory statement — launched a six-year project involving the construction of a one-fifth-scale pilot plant for verifying the Korean SMART pressurized water reactor design.

35. With regard to the ITER project, his delegation hoped that the current negotiations among the six ITER parties would lead to a fruitful conclusion in the near future.

36. The Department of Nuclear Sciences and Applications had suggested that suitable institutions in Member States be designated as 'Agency collaborating centres', and his Government had agreed to the designation of the Department of Nuclear Medicine of the Seoul National University College of Medicine. The formal opening of that Agency collaborating centre would take place on 24 May 2005.

37. Ms. OZAKI (Japan), welcoming the document under consideration, said that her country attached great importance to the Agency's efforts to increase the contribution of nuclear science and technology to human well-being. In its view, the best way of gaining support for those efforts was to broadly disseminate information on nuclear technology applications in a large number of areas. That would increase confidence in — and the visibility of — the Agency and create new possibilities for cooperation with non-traditional partners.

38. Japan considered it important for the Agency to ensure that INPRO and similar initiatives — such as the Generation IV International Forum — complemented one another, with a minimum of duplication and a maximum of synergy.

39. Her delegation would have liked to see in the document under consideration more information about non-power applications of nuclear energy. Perhaps information could be added about — for example — neutron beam applications and material irradiation tests using research reactors and accelerators.

40. Mr. RUSU (Moldova)\* — speaking on behalf of the GUUAM Group countries Azerbaijan, Georgia, Moldova and Ukraine — said that nuclear power generation was an effective means of helping to meet the world's growing energy needs in an environmentally friendly manner. It was generally competitive and capable of supporting sustainable development. However, its future role would depend very much on the success of the current international efforts relating to the operational safety of nuclear power plants, to the safe decommissioning of such plants and to the safe storage of

spent fuel and radioactive waste. At the same time, the need for improved international controls over sensitive nuclear technologies should be borne in mind.

41. The GUUAM Group attached great importance to the activities of the Agency in supporting Member States in areas such as human health and water resources management and looked forward to cooperating further in those activities.

42. Mr. SOKOLOV (Deputy Director General for Nuclear Energy), expressing appreciation for the comments made, said that the Secretariat would bear them in mind when preparing the draft Annual Report for 2004 and the draft programme and budget for 2006–2007.

43. The Secretariat, which endeavoured to minimize any overlapping between Annual Reports on one hand and Nuclear Technology Reviews on the other, was considering the inclusion in the latter of links to relevant Agency websites.

44. Pursuant to the comment made by the representative of Canada, the Secretariat would look into how to make Nuclear Technology Reviews more useful for senior policy-makers and policy advisors. In doing so, it would have to strike a balance designed to ensure that those who were well satisfied with the Nuclear Technology Reviews in their present form did not become less satisfied.

45. The Secretariat had noted the comment made by the representative of Australia about the possible restructuring of Nuclear Technology Reviews and the comment made by the Governor from India about involving SAGNE and SAGNA in their preparation.

46. The Secretariat recognized the importance of nuclear databases for the future development of nuclear power generation — for example, databases relevant to the transmutation of transuranic elements and long-lived radioactive waste. The action ‘Assist in expanding capabilities in nuclear science, concentrating on atomic, molecular and nuclear data for innovative nuclear energy systems, ..., and neutron beam research’ under Objective A.1 of the Medium Term Strategy 2006–2011 (GOV/2005/8) was relevant in that connection.

47. He had appreciated the comments made regarding INPRO, which was addressing, in a holistic manner, the development of nuclear power systems for the future with full account taken of all safety, economic, environmental and non-proliferation issues.

48. The Secretariat could, when preparing the final version of the document under consideration, expand the information about small reactors. However, it was currently finalizing a technical document (IAEATECDOC) which contained a detailed assessment of some 50 small and medium-sized reactor approaches and would be published soon.

49. With regard to uranium price trends, an International Symposium on Uranium Production and Raw Materials for the Nuclear Fuel Cycle — Supply and Demand, Economics, the Environment and Energy Security would be taking place in Vienna from 20 to 24 June 2005. The Secretariat was looking forward to hearing a comprehensive range of views about uranium prices at that symposium.

50. With regard to the energy situation in Africa, the Department of Nuclear Energy was supporting capacity-building for energy planning by African countries and providing advice on the development of the infrastructures necessary for the deployment of nuclear power.

51. Mr. BURKART (Deputy Director General for Nuclear Sciences and Applications), also expressing appreciation for the comments made, said that he had noted the request for information about the uses and applications of research reactors and on the use of neutron beams in materials research and that the Secretariat would consider how best to meet that request.

52. As regards the envisaged use of the sterile insect technique (SIT) against locusts, a thorough feasibility study followed by extensive research would be necessary.

53. An important objective of Nuclear Technology Reviews was to increase the availability of new information on nuclear sciences and applications for interested groups. As those groups had widely varying needs, the Secretariat needed to give further consideration to how it might improve its outreach activities.

54. Most Board members appeared to be happy with the document under consideration, but, given the comments made by some other Board members, the Secretariat would request SAGNA to consider questions regarding the scope and production of Nuclear Technology Reviews and their updates at its meeting in June.

55. The CHAIRPERSON, summing up, said she was sure that all comments made would be studied by the Director General and the Secretariat when preparing the final version of the Nuclear Technology Review — Update 2005 as an information document for the General Conference.

56. Several members had expressed appreciation of the efforts of the Agency in strengthening its activities related to nuclear science, technology and applications, and had commended the Secretariat for the analytical update on those activities. A number of suggestions had been made for additions and other changes to it and regarding the approach to and orientation of future Nuclear Technology Reviews.

57. Some members had noted the positive contributions that nuclear energy could make in the area of sustainable development, in helping to combat climate change and in support of the achievement of the Millennium Development Goals. They had encouraged the Secretariat to inform the public of success stories in that regard, so as to increase the public's awareness and understanding of the benefits of nuclear technology.

58. Several members had noted with appreciation the cooperative efforts of Member States, both developing and developed, under the aegis of the Agency in the development of innovative approaches to nuclear power through both fission and fusion technologies. They had emphasized the importance of the Agency's International Project on Innovative Reactors and Fuel Cycles (INPRO). Some members looked forward to increasingly enhanced collaboration between INPRO and the Generation IV International Forum.

59. Several members had welcomed the International Ministerial Conference on Nuclear Power for the 21st Century due to be held in Paris later that month.

60. Some members had noted the significant role the Agency played in the maintenance of and in improving access to nuclear-related databases, which were important for the operation, design and decommissioning of nuclear facilities and for non-power applications. In addition, the importance of education and training activities related to promoting techniques such as the sterile insect technique had been stressed.

61. Several members had expressed appreciation of the Agency activities related to protection of the marine and terrestrial environments, food safety, livestock productivity, and diagnostic and therapeutic applications of nuclear techniques.

62. Several members had noted that the update did not include references to the transfer of nuclear technology to developing countries or details of coordinated research projects (CRPs).

63. She assumed that the Board wished to take note of the Nuclear Technology Review — Update 2005 contained in document GOV/2005/5.

64. It was so decided.

## 5. Nuclear verification

### (a) **The conclusion of safeguards agreements and of additional protocols** (GOV/2005/6, 10, 12, 13, 14, 16, 17, 18 and 19)

65. The CHAIRPERSON said that the Board had before it — in documents GOV/2005/10, 12, 16, 17, 18 and 19 — comprehensive safeguards agreements and additional protocols to be concluded with Palau, the Marshall Islands and Turkmenistan and — in documents GOV/2005/6, 13 and 14 — additional protocols to be concluded with Tunisia, Senegal and Afghanistan.

66. Mr. RAJA ADNAN (Malaysia)\*, speaking on behalf of the Vienna Chapter of the Non-Aligned Movement (NAM), said that NAM had noted the decisions of the Governments of Afghanistan, Senegal and Tunisia to conclude protocols additional to their NPT safeguards agreements and the decisions of the Governments of the Marshall Islands, Palau and Turkmenistan to conclude NPT safeguards agreements and protocols additional thereto.

67. Mr. RAMZY (Egypt)\* said that the African Group had noted the decisions of the Governments of Senegal and Tunisia to conclude protocols additional to their NPT safeguards agreements.

68. Ms. OZAKI (Japan) said that her country, one of the strongest advocates of the conclusion of additional protocols, welcomed the decisions taken by the Governments of Palau, the Marshall Islands, Turkmenistan, Tunisia, Senegal and Afghanistan.

69. Noting that the 2005 NPT Review Conference would be starting in less than three months' time, she said that, in order to ensure the success of the NPT review process, it was essential to significantly reduce the number of NPT parties which had not concluded a comprehensive safeguards agreement and to achieve wider adherence to strengthened safeguards based on additional protocols. Japan, which had recently organized 'Asian Senior Level Talks on Non-Proliferation', was prepared to cooperate with other interested countries to that end.

70. In order to facilitate deliberations at the 2005 NPT Review Conference, Japan had during the previous month hosted a seminar at which there had been fruitful discussions based on the three pillars of the NPT. The importance of additional protocols for the effective verification by the Agency of compliance with non-proliferation commitments had been emphasized by many participants. She hoped that the results of the seminar would contribute to the discussions on strengthened safeguards at the 2005 NPT Review Conference.

71. In addition, Japan was hosting 'friends of the additional protocol' meetings in cooperation with the Secretariat and promoting implementation of the plan of action outlined in General Conference resolution GC(44)/RES/15, the aim being a strong political message about the importance and urgency of adherence by all countries to strengthened safeguards based on additional protocols.

72. Mr. SEMMEL (United States of America) said that his delegation would be pleased to join a consensus for authorizing the Director General to conclude and implement additional protocols to the safeguards agreements with Tunisia, Afghanistan and Senegal and comprehensive safeguards agreements with Palau, Turkmenistan and the Marshall Islands and additional protocols thereto. It hoped that the agreements and protocols in question would be brought into force soon.

73. While welcoming those agreements and protocols, his delegation believed that much more needed to be done. Only about a half of the States party to the NPT had signed an additional protocol and only about one third had brought an additional protocol into force. As far as the United States was concerned, the Senate had given its consent to ratification of an additional protocol to its safeguards agreement with the Agency in 2004, and his delegation hoped that implementation of the necessary legislation would be approved by Congress prior to the 2005 NPT Review Conference.

74. Strengthening the Agency's safeguards system was a matter of utmost importance and no effort should be spared in seeking universal adherence to strengthened Agency safeguards. In February 2004, President Bush, calling for the universal conclusion of additional protocols, had said "Nations that are serious about fighting proliferation will approve and implement the additional protocol."

75. The G8 had in 2004, under the United States presidency, engaged in a sustained outreach programme designed to persuade States to sign and bring into force safeguards agreements and additional protocols; over 70 States had been approached during the year. Such worldwide diplomatic efforts would continue during 2005 under the United Kingdom presidency.

76. The 2005 NPT Review Conference would be an important opportunity for demonstrating support for strengthened Agency safeguards — for example, by signing comprehensive safeguards agreements and additional protocols or indicating intentions to sign, or by announcing progress towards the conclusion or ratification of agreements and protocols. His delegation hoped that ample use would be made of that opportunity, as that would help to ensure the continued strength of the NPT.

77. Ms. AZURÍN (Peru) said that, as a country in the world's first nuclear-weapon-free zone and with a safeguards agreement and additional protocol in force, Peru welcomed the decisions taken by the Governments of Afghanistan, the Marshall Islands, Palau, Senegal, Tunisia and Turkmenistan. They represented an important step towards universalization of the safeguards regime.

78. Unfortunately, the lack of comprehensive safeguards agreements with some countries, the slow progress towards the universal entry into force of additional protocols and a certain lack of real political will to implement concrete measures leading to general and complete disarmament impaired the effectiveness of the non-proliferation regime. Therefore, Peru hoped that all Agency Member States party to the NPT would cooperate fully during the 2005 NPT Review Conference with a view to the attainment of the common objective of promoting nuclear disarmament and ensuring nuclear non-proliferation in all its aspects.

79. Ms. ŽIAKOVÁ (Slovakia), expressing support for the actions recommended in the document before the Board, said that her country was very much in favour of strengthening the effectiveness and improving the efficiency of the safeguards system.

80. Mr. Chung-ha SUH (Republic of Korea), also expressing support for the actions recommended in the documents before the Board, said that, as the thirty-ninth country to bring an additional protocol into force, the Republic of Korea believed that the conclusion of additional protocols should be promoted as the norm in order to help strengthen the non-proliferation regime and its safeguards system, which were currently facing unprecedented challenges.

81. The Republic of Korea would like to see all countries which had not yet concluded an additional protocol concluding one promptly, as that would ultimately enhance the security of all States.

82. Mr. QUAGLIA (France) said that the decisions taken by the Governments of Tunisia, Senegal, Palau, the Marshall Islands, Afghanistan and Turkmenistan constituted a strong political message and would help to increase the credibility of the safeguards system at a time when it was facing significant challenges.

83. In support of the Agency's efforts to promote the conclusion of comprehensive safeguards agreements and additional protocols, France was, through seminars and information missions, taking action at the regional level, in African and in Indian Ocean countries, to make known the benefits to be derived from concluding them. As a result of France's activities, a number of countries had concluded agreements and/or protocols, and they were to be congratulated on the decisions taken by them.

84. France would like to see many more safeguards agreements and additional protocols before the Board, given the essential role of the Agency's safeguards system and the international nuclear non-proliferation regime.

85. Mr. BERDENNIKOV (Russian Federation) said that his country, which was supporting the Agency's efforts to increase the number of countries with NPT safeguards agreements and additional protocols, welcomed the agreements and protocols now before the Board. It was looking forward to the time, hopefully in the near future, when all States would be implementing such agreements and protocols.

86. Mr. MINTY (South Africa), expressing support for the actions recommended in the documents before the Board, said that his delegation looked forward to the early ratification and implementation of the safeguards agreements and additional protocols in question.

87. The CHAIRPERSON assumed that the Board wished to take the actions recommended in documents GOV/2005/10 and GOV/2005/12 and authorize the Director General to conclude with Palau and implement the safeguards agreement and additional protocol that were the subjects of those documents.

88. It was so decided.

89. The CHAIRPERSON assumed that the Board wished to take the actions recommended in documents GOV/2005/16 and GOV/2005/17 and authorize the Director General to conclude with the Marshall Islands and implement the safeguards agreement and additional protocol that were the subjects of those documents.

90. It was so decided.

91. The CHAIRPERSON assumed that the Board wished to take the actions recommended in document GOV/2005/18 and GOV/2005/19 and authorize the Director General to conclude with Turkmenistan and implement the safeguards agreement and additional protocol that were the subjects of those documents.

92. It was so decided.

93. The CHAIRPERSON assumed that the Board wished to take the action recommended in document GOV/2005/6 and authorize the Director General to conclude with Tunisia and implement the additional protocol that was the subject of that document.

94. It was so decided.

95. The CHAIRPERSON assumed that the Board wished to take the action recommended in document GOV/2005/13 and authorize the Director General to conclude with Senegal and implement the additional protocol that was the subject of that document.

96. It was so decided.

97. The CHAIRPERSON assumed that the Board wished to take the action recommended in document GOV/2005/14 and authorize the Director General to conclude with Afghanistan and implement the additional protocol that was the subject of that document.



98. It was so decided.

**(c) Other safeguards implementation issues**  
(GOV/2005/9)

99. The CHAIRPERSON said that sub-item 3(c) had been included in the agenda in order to allow the Director General to report on a number of safeguards implementation issues.

100. Drawing attention to document GOV/2005/9, 'Implementation of the NPT safeguards agreement in the Arab Republic of Egypt', she recalled that the issue had been the subject of a technical briefing by the Secretariat on the previous Thursday.

101. Mr. GOLDSCHMIDT (Deputy Director General for Safeguards), introducing the sub-item, said that he had nothing to add about safeguards implementation in Egypt to the report contained in document GOV/2005/9 and that he would inform the Board about the progress made in the Agency's verification activities in the Islamic Republic of Iran and about the issue of Small Quantities Protocols.

102. In November 2001, the Secretariat had provided (in document GOV/2004/83) a comprehensive report on the Agency's verification of compliance by Iran with its NPT safeguards agreement and its voluntary suspension of enrichment-related and reprocessing activities.

103. Since the November 2004 meetings of the Board, Iran had facilitated in a timely manner Agency access to nuclear material under its safeguards agreement and additional protocol, and the Agency had carried out inspections at facilities in Tehran, Natanz and Esfahan and had had complementary access to three locations outside facilities.

104. As regards the centrifuge programme, the Agency was expecting some progress on the contamination issue. It had agreed with the Member State concerned on the modalities for sampling a number of old centrifuge components, which could provide information about the origin of the low-enriched and high-enriched uranium particle contamination found at various locations in Iran. In January 2005, an Agency team had again visited locations in another Member State where, according to Iran, the centrifuge components had been stored prior to their shipment to Iran. Environmental samples had been collected from those locations and would be analysed.

105. Although there had been no new information about the outstanding questions related to Iran's P-2 centrifuge programme, there had been developments in four other areas related to the Agency's verification of the P-1 centrifuge programme, in connection with: an early offer of centrifuge-related technology and sample components; the genesis of the mid-1990s offer of P-1 centrifuge documentation and components for 500 centrifuges; shipping documents related to the delivery of those components and documentation; and technical discussions held between Iran and the intermediaries concerning centrifuge enrichment. He would briefly describe each of those developments.

106. During a meeting on 12 January 2005 in Tehran, Iran had shown the Agency a handwritten one-page document reflecting an offer said to have been made to Iran in 1987 by a foreign intermediary. While it was not clear from the document precisely what the offer entailed, Iran had stated that it related to centrifuge technology acquisition. The document suggested that the offer included the delivery of: a disassembled sample machine (including drawings, descriptions, and specifications for production); drawings, specifications and calculations for a "complete plant"; and materials for 2000 centrifuge machines. The document also reflected an offer to provide auxiliary vacuum and electric drive equipment and uranium re-conversion and casting capabilities. Iran had stated that only some of those items had been delivered, and that all of those items had been declared to the Agency. That information was still being assessed. The Agency had requested that all documentation relevant to the offer be made available to it for review.

107. In response to questions about the procurement history associated with shipments in the mid-1990s of P-1 centrifuge components and documentation, Iran had informed the Agency in October 2004 that, around 1994, the Atomic Energy Organization of Iran (AEOI) had been informed that an intermediary had made an offer to an Iranian company unrelated to the AEOI to deliver P-1 centrifuge documentation and components for 500 centrifuges. Responding to Agency enquiries in that context, in a letter dated 9 January 2005 Iran had stated that, following the AEOI's being informed about the offer, "instruction [had been] given by high authority that no other entity or organisation other than AEOI was allowed to conduct centrifuge enrichment projects and enter into negotiations." As a response to an Agency request, Iran had said that no written documentation relevant to the initial offer to the Iranian company was available.

108. As regards the deliveries in the mid-1990s of the 500 sets of P-1 components and additional bellows, the Agency had on a number of occasions requested copies of all relevant shipping documents. Under cover of a letter transmitted to the Agency on 17 January 2005, Iran had provided copies of some shipping documents said to have been related to "2 consignments in 1994 and 1995", which were now being assessed, particularly with respect to the dates and contents of the shipments. The Agency had requested that Iran search for any additional information related to the procurement of centrifuge components and technology, particularly information related to shipments that took place around 1997.

109. In response to the Agency's request for documentation related to Iran's technical discussions with intermediaries concerning centrifuge enrichment in the mid- to late-1990s, Iran had during the 12 January meeting in Tehran also provided the Agency with copies of a number of documents, which were now being assessed.

110. Turning to other matters, he said, regarding plutonium separation, that, as mentioned in the latest report to the Board, the Agency had, in September 2004, taken a second set of samples from the plutonium solution for analysis using different analytical techniques in different laboratories, with a view to confirming the date of the separation. The measurement results had been received by the Agency and were being assessed.

111. The Agency had continued implementing the measures of the additional protocol. Complementary access at the Uranium Conversion Facility (UCF) site on 15 December 2004 had revealed underground excavation activities which Iran had failed to report in a timely manner to the Agency as required under Code 3.1. of the subsidiary arrangements to its safeguards agreement (namely, at the time the decision was taken to authorize or carry out such construction). Through a letter received by the Agency on 13 December 2004, Iran had submitted an updated Design Information Questionnaire (DIQ) for the UCF providing preliminary design information for a tunnel that was being constructed at the UCF site. In the DIQ entry related to the purpose and nature of the tunnel, Iran had stated that "in order to increase capacity, safety and security of nuclear material, a storage is considered and will be constructed." Iran had also stated that the modifications had been initiated in September 2004.

112. On 8 February 2005, the Agency had conducted complementary access at the Gchine mine — in the south of Iran near Bandar Abbas — and its associated mill. To better understand the complex arrangements governing the current and past administration of the mine, the Agency had requested that the original contract between the AEOI and the engineering company that had constructed the mill at Gchine be made available to it for review, along with related documentation.

113. In its resolution adopted on 18 September 2004 (GOV/2004/79), the Board of Governors had called on Iran "as a further confidence-building measure, voluntarily to reconsider its decision to start construction of a research reactor moderated by heavy water". No visit to the site of that reactor had

taken place since the Board had adopted that resolution. Iranian officials had indicated that the Heavy Water Research Reactor (IR-40) project was progressing.

114. Concerning transparency visits, he said that, as stated in the Director General's November 2004 report, in accordance with its practice in connection with its evaluation of other States' nuclear programmes, the Agency had discussed with Iranian authorities open-source information relating to dual-use equipment and materials which had applications in the conventional military area and in the civilian sphere as well as in the nuclear military area.

115. In that context, the Agency was continuing to assess information related to the Lavisan site. As reported at the November 2004 Board meetings, Iran had provided information to the Agency in October 2004 in response to Agency inquiries about efforts by the Physics Research Centre (PHRC), located at the Lavisan-Shian site between 1989 and 1998, to acquire dual-use material and equipment that could be useful in uranium enrichment and conversion activities. The Agency had requested that the matter be discussed in detail with two officials who had been involved in the procurement activities of the PHRC. In response to the Agency's request for additional information and clarification from Iran in connection with the matter, in a Note Verbale dated 27 February 2005 Iran had stated:

- "1. The PHRC of Lavisan was not involved in activities declarable under the NPT Safeguards.
- "2. The dual use items such as those in question could be used in conventional activities, which Iran is not obliged to declare under the Comprehensive Safeguards and the Additional Protocol."

116. With regard to Parchin, as stated in the Director General's latest report, in October 2004 the Agency had reiterated its request to be permitted to visit the Parchin site. In response to security concerns expressed by Iran about a visit, the Agency had, in a note dated 25 October 2004, proposed modalities under which the visit could take place. At a meeting in Vienna on 7 January 2005, Iran had, in the interests of transparency, agreed to permit the Agency to visit Parchin. The Agency had been permitted to select one of the four areas which it had identified as being of potential interest. It had been requested to minimize the number of buildings to be visited in that area and had selected five. The Agency had been given free access to those buildings and their surroundings, and permission to take environmental samples, which were currently being analysed. In the course of that visit, the Agency had also reiterated its request to be permitted to visit another area of particular interest on the Parchin site before the end of February. In a Note Verbale dated 27 February 2005, Iran had stated that "the expectation of the Safeguards Department in visiting specified zone and points in the Parchin Complex are fulfilled and thus that there was no justification for any additional visit."

117. As a result of its limited-scope visit to Parchin, the Agency was able to inform the Board that it had seen no relevant dual-use equipment or materials in the location visited. The Agency was awaiting the results of environmental sampling analysis to ascertain whether any nuclear material had been used in the area visited.

118. With regard to the suspension of activities, he said that, pursuant to the Board's resolution of 29 November 2004 (GOV/2004/90) and to previous resolutions, the Agency had continued its activities for verifying all elements of Iran's voluntary suspension of all enrichment-related and reprocessing activities.

119. Prior to 22 November 2004, the Agency had already established a baseline inventory of all UF<sub>6</sub>, essential centrifuge components, key raw materials and equipment, and the assembled centrifuge rotors at declared workshops said by Iran to have been involved in the manufacturing of centrifuge

components, and it had applied containment and surveillance measures to those items. The Agency had continued to monitor the suspension at the Natanz site, including the Pilot Fuel Enrichment Plant (PFEP) and the Fuel Enrichment Plant. A number of solenoid valves that had been removed from the PFEP prior to 22 November 2004 had been cleaned of corrosive products and stored by Iran at the facility, and they were being monitored by the Agency. The 20 sets of centrifuge components that Iran had initially intended to use for research and development purposes remained under surveillance at the PFEP. The Agency had also monitored centrifuge component production capabilities at the declared workshops selected randomly during Agency visits to Iran.

120. During visits to Farayand Technique in December 2004 and January 2005, the Agency had noted that quality control activities were being carried out with regard to some centrifuge components (for example, stator bellows, springs and casing supports) which had been declared to the Agency but not placed under Agency seals. In response to the Agency's request for clarification concerning those activities, Iran had informed the Agency, by letter of 13 February 2005, that, although those activities were not considered by Iran to be covered by the voluntary suspension of centrifuge enrichment-related activities, Iran had decided to put them temporarily on hold until the matter could be discussed with, among others, the EU3.

121. The Agency had also continued its verification of Iran's voluntary suspension of conversion activities at the UCF. As previously reported, in August 2004 Iran had introduced approximately 37 tons of uranium ore concentrate (UOC) into the process area of the UCF as feed material for facility testing. As of 22 November 2004, all of the UOC had been dissolved and converted into intermediate products, principally ammonium uranyl carbonate (AUC) and  $UF_4$ , and part of the intermediate  $UF_4$  had been converted into  $UF_6$ . On 22 November 2004, the Agency had installed seals and other tamper-indicating devices to verify that no additional feed was introduced and that there was no further production of  $UF_6$ . Iran had continued to convert the AUC into  $UF_4$ , which had taken longer than initially planned. It had completed the conversion work on 18 February 2005, and it was now planning to conduct clean-out operations that would take several weeks. The produced  $UF_4$  had been verified by the Agency and was now under Agency seal. The produced  $UF_6$ , which had been transferred from the process into cylinders, had been verified and sealed and placed under Agency surveillance. To ensure that there was no undeclared withdrawal of the  $UF_6$  remaining in the UCF process lines, the Agency had sealed the  $UF_6$  withdrawal stations and installed cameras there. Physical inventory verification at the UCF was scheduled to take place in April 2005, after the clean-out operations had been completed.

122. Turning to the subject of Small Quantities Protocols (SQPs), he said that the Secretariat had launched an initiative in response to the limitations which SQPs to comprehensive safeguards agreements placed on safeguards implementation.

123. In 1971, the Agency had started offering to States with very limited amounts of nuclear material and with no facilities containing nuclear material the possibility of concluding an SQP, which in effect held in abeyance the implementation of important safeguards measures routinely implemented in States with comprehensive safeguards agreements alone. Those measures related to, inter alia, most of the State's reporting obligations and important rights of Agency access to safeguards-relevant information and locations.

124. A State with an operational SQP was not required to submit to the Agency an initial report on its nuclear material. In the case of a State with an operational SQP, the Agency was unable to verify, independently, that the State had initially met the requirements for the conclusion of an SQP or that subsequently it continued to do so. In practice, that meant that a State with an SQP could have inventories of nuclear material up to the amounts specified in paragraph 37 of document INFCIRC/153 without the Agency being informed — for example, ten metric tons of natural uranium

in the form of UF<sub>6</sub>. As had become clear in recent years, States could conduct nuclear activities of proliferation concern with quantities of nuclear material much smaller than that amount.

125. Furthermore, a State with an operational SQP was not required to provide the Agency with design information about new facilities at an 'early' stage in keeping with the Board's interpretation of 1992. Currently, such a State could have nuclear facilities that it would not be required to declare to the Agency until six months prior to the introduction of nuclear material.

126. The Agency's experience since the early 1990s had underscored the crucial importance of being able to detect indications of undeclared nuclear material and activities at undeclared locations. Seen in that light, SQPs ran counter to the rationale underpinning strengthened safeguards and were, in some respects, inconsistent with Board decisions in that regard. The Secretariat believed that the inconsistency should be brought to the Board's attention. To that end, it had recently prepared a non-paper on the basis of which it was consulting States about placing the matter formally before the Board at its session in June 2005.

127. The CHAIRPERSON invited comments on the Director General's report 'Implementation of the NPT Safeguards Agreement in the Arab Republic of Egypt' contained in document GOV/2005/9.

128. Mr. FABER (Luxembourg)\*, speaking on behalf of the European Union, said that the candidate countries Bulgaria, Romania, Turkey and Croatia, the countries of the Stabilization and Association Process and potential candidate countries Albania, Bosnia and Herzegovina, The Former Yugoslav Republic of Macedonia, and Serbia and Montenegro, and the EFTA countries and European Economic Area members Iceland, Liechtenstein and Norway aligned themselves with the statement which he was about to make.

129. The European Union agreed with the Director General that the repeated failures of Egypt to report nuclear material and facilities in a timely manner were a matter of concern. Any deviation from the obligations in safeguards agreements was regrettable. However, the amounts of nuclear material involved were small, and the activities which Egypt had failed to report could not have been intended to be of a clandestine nature since information regarding those activities had been published in open-source documents. Moreover, the information available to date did not raise serious concerns with respect to non-proliferation.

130. The European Union welcomed the corrective measures taken by Egypt and hoped that Egypt would continue to cooperate with the Agency in a transparent manner.

131. In the European Union's view, the combination of a safeguards agreement and an additional protocol was the current verification standard. In particular, the measures set out in additional protocols were crucial for strengthening the Agency's ability to detect possible undeclared nuclear material and activities and provide assurance about their absence. In accordance with General Conference resolution GC(48)/RES/14, the European Union therefore called on all States that had not yet done so to promptly conclude an additional protocol.

132. The European Union welcomed the intention of the Director General and the Secretariat to continue their efforts relating to the implementation of Egypt's safeguards agreement and to report to the Board as appropriate.

133. Ms. HUSSAIN (Malaysia)\*, speaking on behalf of the Vienna Chapter of the Non-Aligned Movement (NAM), and Mr. MINTY (South Africa), speaking on behalf of the African Group, said that, in view of the nature of the activities in question, the publication of information regarding them in open-source documents, the small amount of nuclear material involved and the fact that some of the activities had been carried out between 15 and 40 years previously, the issue under consideration was not one of proliferation concern. Moreover, in the Director General's report it was stated that the

nuclear material and facilities seen by the Agency to date were consistent with the activities described by Egypt.

134. They expressed appreciation of the cooperation extended by Egypt and satisfaction that most corrective measures had already been completed or were in the process of being completed, and stated that prompt closure of the issue would be welcome.

135. Mr. TAKASU (Japan) said that, as stated in the Director General's report, the repeated failures by Egypt to report nuclear material and facilities to the Agency in a timely manner were a matter of concern. However, his country welcomed the cooperation extended by Egypt since September 2004 in clarifying issues and granting to the Agency the access necessary in order for it to verify the correctness and completeness of Egypt's declarations.

136. Japan, which trusted that the Director General would report further to the Board as appropriate, considered it important that the Government of Egypt continue to cooperate with the Agency in a transparent manner.

137. As Japan was one of the initiators of the 'friends of the additional protocol' concept, he considered it necessary to emphasize once again the importance of achieving the universal conclusion of additional protocols, which his country considered to be the most realistic and effective tool for strengthening the nuclear non-proliferation regime. Japan hoped that Egypt would demonstrate its strong commitment to nuclear non-proliferation by concluding an additional protocol soon.

138. Ms. FEROUKHI (Algeria) said that the Agency was to be commended for the professionalism which it demonstrated in carrying out its verification activities in accordance with the Statute.

139. Algeria would like to see the Agency intensifying its efforts to expedite the establishment of a nuclear-weapon-free zone in the Middle East and endeavouring to ensure that all States in that region, without exception, submitted all their nuclear facilities and activities to comprehensive Agency safeguards.

140. From the Director General's report in document GOV/2005/9 it was clear that the activities in Egypt to which it related had been undertaken for research and development purposes, with information about them published in scientific reviews, and had involved only small quantities of nuclear material. Furthermore, some of the activities had taken place more than 40 years previously — before the advent of the NPT and the conclusion of Egypt's NPT safeguards agreement.

141. Egypt was cooperating fully with the Agency, granting access to sites, providing information and allowing the taking of samples. Also, it had taken corrective measures in accordance with its safeguards obligations.

142. In her delegation's view, therefore, the issue raised in the Director General's report was not one of proliferation concern, and she was convinced that, with continued active cooperation by Egypt with the Agency, it would soon be resolved.

143. Ms. SANDERS (United States of America) said that in the opinion of her country, which was a strong supporter of the Agency's efforts to ensure that all safeguards agreements were implemented fully and in a transparent manner, the Agency was to be commended for introducing the strengthened information analysis procedures that had led to the discovery of reporting failures in Egypt.

144. A central conclusion in the Director General's report was that the repeated failures by Egypt to report nuclear material and facilities to the Agency in a timely manner were a matter of concern, but a further one was that the nuclear material and facilities seen by the Agency to date were consistent with the activities described by Egypt. Her country greatly appreciated the manner in which Egypt was

remedying its past safeguards reporting failures and demonstrating how outstanding safeguards issues should be resolved — through full cooperation with the Agency in addressing all concerns. In her country's view, the example set by Egypt was one which all countries should follow.

145. Her country hoped that Egypt would continue to cooperate comprehensively with the Agency in all aspects of its ongoing investigation so that the remaining issues might be addressed through the Agency's normal inspection procedures and reporting process. It looked forward to receiving a further report from the Director General, as appropriate.

146. That having been said, her country would like to see Egypt concluding an additional protocol and bringing it into force soon.

147. In the light of the matter under consideration, Member States should revisit their obligations under their safeguards agreements and ensure that they understood them properly. The Agency might be able to provide assistance in that regard.

148. Mr. VIDRICAIRE (Canada) said that the amounts of nuclear material which Egypt had failed to declare had been modest and that the activities undertaken by Egypt had, in general, not been sensitive from a proliferation point of view. There were no grounds for concluding that there had been a systematic effort to obviate safeguards obligations or that a policy of concealment had existed. Furthermore, Egypt had taken corrective measures and was cooperating with the Agency in its inspection activities.

149. Canada would examine very carefully all additional information brought to the Board's attention by the Director General, but for the present it considered that Egypt's reporting failures — although not negligible — did not constitute non-compliance in the sense intended in the Statute.

150. Canada hoped that Egypt, given its position of principle on a range of non-proliferation and disarmament questions and its support for the establishment of a nuclear-weapon-free zone in the Middle East, would conclude an additional protocol soon.

151. Ms. STOKES (Australia) said that Egypt had failed in a number of cases to report materials, activities and facilities as required by its safeguards agreement. In the light of the information available to date, her delegation did not believe that Egypt's failures warranted serious concern, but definitive conclusions could not be drawn until the results of ongoing sample analysis work were known. Her delegation was looking forward to those results.

152. Australia welcomed the fact that Egypt was cooperating with the Agency and hoped that it would take steps to ensure that there was no recurrence of what had happened. One such step was the conclusion of an additional protocol — the best means of providing the international community with assurances regarding full compliance with safeguards obligations. The conclusion of an additional protocol would be in Egypt's interests.

153. Mr. BAHRAN (Yemen) said that his delegation, which had noted the statement in paragraph 24 of the Director General's report that the nuclear material and facilities seen by the Agency to date were consistent with the activities described by Egypt, welcomed Egypt's readiness to cooperate in rectifying the situation that had arisen.

154. Given the fact that information about some of the activities described in the Director General's report had been published in open-source documents, his delegation believed that Egypt's reporting failures vis-à-vis the Agency did not constitute grounds for concern. It hoped that the matter would be brought to closure soon.

155. Mr. SHARMA (India) said that his delegation, which welcomed the impartiality of the Director General's report, had noted that some of the activities described in the report appeared to have taken place before Egypt had assumed obligations arising out of the NPT, and that much of the information in the report had been obtained by the Agency from open-source documents. In his delegation's view, Egypt had been very transparent about its nuclear programme.

156. Egypt had taken prompt corrective action and was cooperating unstintingly with the Agency, so that his delegation was confident that the matter would be resolved shortly.

157. Mr. MANIAR (Singapore) said that reporting failures relating to nuclear material and facilities were always a matter of concern. In the case under consideration, however, the amounts of nuclear material involved had been very small and some of the activities in question had taken place 15-40 years previously. Moreover, according to the Director General's report, the nuclear material and facilities seen by the Agency to date were consistent with the activities described by Egypt.

158. Singapore welcomed Egypt's proactive cooperation with the Agency and the corrective actions that had been undertaken by Egypt.

159. Mr. BERDENNIKOV (Russian Federation) said that the failures reported by the Director General were a matter of concern, but that his delegation greatly appreciated the cooperation extended by Egypt to the Agency.

160. In his delegation's view, Egypt's reporting failures were attributable to a lack of clarity on the part of the Egyptian authorities about the provisions of the safeguards agreement between Egypt and the Agency. As stated by the Director General, governments should pay close attention to their safeguards reporting obligations, contacting the Secretariat if necessary in order to obtain informed explanations of the provisions of safeguards agreements; that could prevent complications like those under consideration from arising. In addition, the Secretariat should work more closely with national authorities responsible for safeguards implementation in order to make such complications less likely.

161. Mr. VIEIRA DE SOUZA (Brazil), having expressed his Government's continuing firm support for the Agency's verification activities, said that his delegation had noted Egypt's reporting failures with concern. However, the amounts of nuclear material involved had been small and the activities in question had been described in open-source documents. Moreover, Egypt had already taken most of the necessary corrective measures.

162. In that connection, it should be recalled that the obligations established by the NPT were binding at all times and should be strictly complied with by all States parties, but the rights foreseen in NPT Article IV should be enjoyed by all interested States parties, without discrimination.

163. His delegation hoped that the matter would be brought to a prompt and satisfactory conclusion.

164. Mr. DAOUAS (Tunisia) said that Egypt's reporting failures had clearly been inadvertent and that some of the activities had taken place before the assumption of NPT obligations by Egypt. Moreover, only small quantities of nuclear material had been involved in those activities and the results had been published in open-source documents. In view of Egypt's transparent cooperation with the Agency, his delegation considered that the matter was not one warranting concern.

165. For its part, Tunisia was preparing to conclude an additional protocol, and it would like to see all States submitting all their nuclear facilities to Agency safeguards.

166. Mr. MINTY (South Africa) said that, while noting the Agency's concerns regarding Egypt's past failures to report nuclear material and facilities in a timely manner, his country welcomed the cooperation that Egypt had recently been extending to the Agency.



167. South Africa had noted Egypt's explanation that the reporting failures had been attributable to a lack of clarity regarding the obligations arising out of the safeguards agreement between Egypt and the Agency, particularly those relating to small quantities of nuclear material used in research and development activities.

168. South Africa looked forward to Egypt's continued cooperation and trusted that the matter would be resolved soon.

169. Ms. WIJEWARDANE (Sri Lanka) said that her delegation, which was of the view that Egypt's reporting failures were not of proliferation concern, looked forward to an early resolution of the matter.

170. Mr. SAYÚS (Argentina) said that the situation regarding the implementation of Egypt's safeguards agreement need not cause concern, since it did not stem from clandestine activities; information about the activities in question had been published in open-source documents. Moreover, it was stated in the Director General's report that the nuclear material and facilities seen by the Agency to date were consistent with those activities.

171. His delegation welcomed the transparent manner in which Egypt was cooperating with the Agency and was confident that Egypt's cooperation would continue.

172. Mr. MOREJÓN-ALMEIDA (Ecuador) commended the Agency on the investigations carried out by it between September 2004 and March 2005 and the Egyptian authorities on the way in which they had cooperated in those investigations.

173. The activities and materials that Egypt had failed to declare had not been significant, but strict compliance by States with their safeguards obligations was essential for ensuring nuclear non-proliferation and combating the security threats of the new millennium.

174. His delegation welcomed the corrective measures taken by Egypt and was optimistic that the results of the Agency's investigations would confirm the explanations given by Egypt.

175. Mr. WRIGHT (United Kingdom) said that his delegation, which agreed with the Director General that all governments should pay close attention to their reporting obligations and treat them with the seriousness they deserved, considered it important that the Board take a consistent approach in cases of incomplete reporting.

176. Perhaps the Secretariat could develop a set of principles for the handling of such cases and refer it to the Board for endorsement.

177. Mr. RAMZY (Egypt)\* said that, while the views of his delegation regarding certain aspects of the report contained in document GOV/2005/9 might differ from those of some other delegations, the report was by and large objective and balanced and reflected Egypt's position to a large extent.

178. Since the issue under consideration had been brought to its attention, in September 2004, Egypt had been forthcoming in its cooperation with the Agency. In addition, in the spirit of its customary transparency and openness with regard to its nuclear activities, Egypt had issued a press statement on 25 January 2005 which had been circulated to Member States in document INFCIRC/638.

179. His delegation was confident that on the basis of the Director General's report, and following the technical briefing given recently by the Secretariat, Board members were now able to accurately assess the situation. In the interest of providing the Board with a complete picture of the situation, however, his delegation wished to emphasize the following points:

- Egypt's nuclear activities were exclusively for peaceful purposes.

- Most of the activities referred to in the Director General's report had taken place before Egypt ratified the NPT and concluded a comprehensive safeguards agreement with the Agency. As the report indicated, some of those activities had taken place some 40 years previously, before the NPT came into force.
- All the activities undertaken had been permissible under the NPT.
- Egypt had always been transparent with regard to its nuclear activities, as demonstrated by the fact that those activities had been reported on in international and Egyptian scientific journals.
- The failure to report the activities in question had arisen from differing interpretations of the safeguards agreement. That point had now been settled, and all future activities consistent with Egypt's safeguards agreement would be reported to the Agency. In that regard, it was important to note that the report stated that all nuclear material and activities verified by the Agency to date were consistent with the activities described by Egypt.
- Egypt had always maintained the closest cooperation with the Agency, including with respect to safeguards. In that context, it had responded positively to the Agency's queries by taking the necessary corrective measures and would continue to do so as necessary.

180. Egypt remained unwaveringly committed to the NPT, which was the cornerstone of the non-proliferation regime. In its view, the credibility of the NPT and the effectiveness of the regime rested squarely on the achievement of universal adherence to the treaty and on the treaty commitments regarding non-proliferation, disarmament and the inalienable right to nuclear technology for peaceful purposes being honoured.

181. In that connection, it should be recalled that in 1995 the NPT Review and Extension Conference had adopted a resolution on the establishment of a nuclear-weapon-free zone (NWFZ) in the Middle East — a resolution which had become part of the NPT commitments. Convinced that a comprehensive and lasting peace in the Middle East was incompatible with the existence of nuclear weapons there, Egypt had for some three decades been calling for the establishment of the envisaged NWFZ. Also, it had consistently advocated speedy implementation of the General Conference resolutions calling upon all States in the Middle East to place their nuclear activities under full-scope Agency safeguards.

182. The international community should honour its commitment to the establishment of an NWFZ in the Middle East, since that too was essential for the credibility of the NPT and the non-proliferation regime.

183. Recalling that the Declaration on the Denuclearization of Africa and the Pelindaba Treaty had been opened for signature in Cairo, in 1964 and 1996 respectively, he said that Egypt also remained committed to the establishment of an NWFZ in Africa, and it looked forward to the full and effective implementation of the Pelindaba Treaty, which it considered to be intrinsically linked to the establishment of an NWFZ in the Middle East.

184. Like other international treaties, the NPT was based on a balance between rights and obligations. The right to security was inherent to the NPT. In view of the fact that Egypt was honouring its NPT commitments and cooperating transparently with the Agency, it was inappropriate to request Egypt to assume additional obligations without enhancing its security. There was a security deficit in the Middle East that needed to be addressed, speedily and effectively. Egypt was not prepared to assume any additional obligations as long as Israel refused to adhere to the NPT and place all its nuclear activities under full-scope Agency safeguards.

185. It was disappointing to see that the countries which were calling upon Egypt to assume additional obligations had not yet played their part in implementing the resolution of the NPT Review and Extension Conference and the General Conference resolutions regarding the establishment of an NWFZ in the Middle East.

186. The CHAIRPERSON invited the Board to turn to the issue of Small Quantities Protocols.

187. Mr. SRIWIDJAJA (Indonesia)\*, speaking on behalf of the Group of 77 and China, said that, if no further Small Quantities Protocols (SQPs) were concluded and the existing SQPs were rescinded, the balance between the Agency's promotional and verification activities might well be adversely affected, and that any increase in the cost of verification activities as a result of the termination of the SQP mechanism should be accompanied by an increase in promotional activities deemed important by the Group.

188. Mr. TAKASU (Japan), having thanked the Secretariat for drawing attention to the importance of looking for more appropriate safeguards modalities in the States with SQPs, requested it to continue consulting with those States and to make a detailed proposal for consideration by the Board at its June 2005 session.

189. He also requested the Secretariat to consider how termination of the SQP mechanism might affect efforts to bring about the conclusion of comprehensive safeguards agreements (CSAs) by all States party to the NPT.

190. Ms. SANDERS (United States of America) said that SQPs were an anomaly in the context of the strengthened safeguards system developed in the 1990s. However, SQPs had served a useful function in supporting efforts to promote the conclusion of CSAs by States that had no significant nuclear activities.

191. Even without SQPs, the impact of CSAs in such States would be very limited, but for some of them — particularly some of the 39 States party to the NPT that had yet to conclude a CSA — the prospect of an additional burden might be discouraging.

192. Was there any way in which the Secretariat could retain simplified procedures of some kind while correcting the weaknesses that stemmed from the SQP mechanism?

193. Mr. VIDRICAIRE (Canada) called for further consultations on the question of SQPs, with a view to the adoption by the Board in June 2005 of a decision that would help to correct shortcomings without imposing an excessive burden on States concerned and the Department of Safeguards.

194. Ms. STOKES (Australia) said that at the time when the SQP mechanism had been introduced the reason for it — minimization of safeguards efforts in States with only limited nuclear material — had seemed to be a sound one. In her country's view, however, it no longer seemed so sound; the desire to minimize safeguards efforts in such States must be balanced against the need to ensure that valid safeguards conclusions could be drawn.

195. Accordingly, Australia believed that no further SQPs should be concluded and the existing SQPs rescinded and that sufficient flexibility could be achieved through practical verification approaches which made appropriate allowances for States with only limited nuclear material.

196. Consistent with its support for the Agency's strengthened safeguards system, Australia would like to see all States with an SQP but no additional protocol concluding an additional protocol without delay or at least cooperating fully with the Secretariat in the implementation of any measures proposed for confirming that the basis for the SQP — namely, the absence of significant nuclear material and activities — remained valid.

197. Mr. WRIGHT (United Kingdom) said that the initial declarations required by the additional protocol provided an excellent opportunity for States to ensure that the Agency had as clear and comprehensive an understanding of all their relevant activities as possible. His delegation therefore shared the expectation that States' preparations for the entry into force of additional protocols would include suitably detailed examinations of past activities in order to ensure that no inadvertent reporting failures occurred.

198. His delegation shared the views of many other delegations concerning the shortcomings of SQPs in the context of the strengthened safeguards regime. It therefore welcomed the current review of the SQP mechanism, and hoped that the Board would soon have an opportunity to consider the results. Meanwhile, it might be preferable if only comprehensive safeguards agreements and additional protocols were submitted to the Board for approval.

199. Mr. Chul Min PARK (Republic of Korea) said that the nuclear security environment had changed dramatically in recent years and that it was therefore time for the Agency to apply the same safeguards measures in States with SQPs to their comprehensive safeguards agreements as in other States with comprehensive safeguards agreements.

200. However, his country shared the concern of States with SQPs regarding the additional burden of reporting and follow-up which they might incur if the SQP mechanism were abolished. It hoped that the Secretariat would find ways of allaying those concerns through cooperative measures.

201. His country would welcome further consultations among Member States, with a view to the Board's reaching a decision in June 2005.

202. The Republic of Korea, which was supporting the Agency's efforts to strengthen the safeguards system, attached great importance to promoting the conclusion of additional protocols. It had brought its own additional protocol into force in 2004 and was implementing it in a proactive manner.

203. Ms. BRIDGE (New Zealand)\* said that, since the SQP issue had considerable implications, particularly for small States in the Pacific region, her delegation looked forward to further consultations on it with the Secretariat.

**The meeting rose at 5.55 p.m.**