IAEA Board of Governors

Record of the 1183rd Meeting
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Technical Cooperation Report for 2006

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Record of the 1183rd Meeting

Held at Headquarters, Vienna, on Monday, 11 June 2007, at 3.05 p.m.

Contents

[1] GOV/2007/33.

Attendance

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

Mr. PETRIČ	Chairman (Slovenia)
Ms. CONTRERAS DE ECKER	Argentina
Mr. SHANNON Mr. SMITH	Australia
Ms. KÜHTREIBER	Austria
Mr. MACKAY	Belarus
Mr. MOLLINEDO CLAROS	Bolivia
Mr. VALLIM GUERREIRO	Brazil
Ms. GERVAIS-VIDRICAIRE	Canada
Mr. SKOKNIC	Chile
Mr. LIU Yongde	China
Ms. QUINTERO CORREA	Colombia
Mr. HORVATIĆ	Croatia
Mr. CODORNIU PUJALS	Cuba
Mr. RAMZY	Egypt
Mr. KEBEDE	Ethiopia
Ms. KAUPPI	Finland
Mr. CARON	France
Mr. SANDTNER	Germany
Mr. PAPADIMITROPOULOS	Greece
Mr. SHARMA	India
Mr. WIBOWO	Indonesia
Mr. AMANO	Japan
Mr. PARK Chung-Taek	Korea, Republic of
Mr. EL-DEEN EL-MISSLATTI	Libyan Arab Jamahiriya
Mr. ZNIBER	Morocco
Mr. OSAISAI	Nigeria
Mr. JOHANSEN	Norway
Mr. SHAHBAZ	Pakistan
Mr. KUCHINOV	Russian Federation
Mr. BERTONCELJ	Slovenia
Mr. MINTY	South Africa
Mr. LUNDBORG	Sweden
Mr. OTHMAN	Syrian Arab Republic
Mr. PANUPONG	Thailand
Mr. MACGREGOR	United Kingdom of Great Britain and Northern Ireland
Mr. SCHULTE	United States of America

Attendance (continued)

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

Representatives of the following Member States also attended the meeting:

Albania, Algeria, Angola, Armenia, Belgium, Bosnia and Herzegovina, Bulgaria, Costa Rica, Côte D'Ivoire, Czech Republic, Denmark, Dominican Republic, Estonia, Georgia, Holy See, Hungary, Islamic Republic of Iran, Iraq, Ireland, Israel, Italy, Jordan, Kazakhstan, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Namibia, Netherlands, New Zealand, Panama, Paraguay, Peru, Philippines, Romania, Serbia, Slovakia, Spain, Sri Lanka, Sudan, Switzerland, Tunisia, Turkey, Ukraine, Uruguay, Venezuela.

Abbreviations used in this record:

ARCAL	Cooperation Agreement for the Promotion of Nuclear Science and Technology in Latin America and the Caribbean
Assistance Convention	Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency
Basic Safety Standards	International Basic Safety Standards for Protection against Ionizing Radiation and for the Safety of Radiation Sources
CPF	Country Programme Framework
CRP	coordinated research project
Early Notification Convention	Convention on Early Notification of a Nuclear Accident
EPREV	Emergency Preparedness Review
EU	European Union
G8	Group of Eight
GIF	Generation IV International Forum
GRULAC	Latin American and Caribbean Group
GUAM	Georgia, Ukraine, Azerbaijan, Moldova

Abbreviations used in this record (continued):

HEU	high-enriched uranium
INIS	International Nuclear Information System
INLEX	International Expert Group on Nuclear Liability
INPRO	International Project on Innovative Nuclear Reactors and Fuel Cycles
IRRS	Integrated Regulatory Review Service
ITER	International Thermonuclear Experimental Reactor
Joint Convention	Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management
LDC	least developed country
LEU	low-enriched uranium
NPCs	national participation costs
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
OECD/NEA	Nuclear Energy Agency of the Organisation for Economic Cooperation and Development
PACT	Programme of Action for Cancer Therapy
PCMF	Programme Cycle Management Framework
PHWR	pressurized heavy water reactor
PSA	Probabilistic safety analysis/assessment
SMR	small and medium-sized reactor
SQP	small quantities protocol
TCF	Technical Cooperation Fund
Transport Regulations	Regulations for the Safe Transport of Radioactive Material
UNDP	United Nations Development Programme

3. The Annual Report for 2006 (continued)

GOV/2007/19 and Corr.1, plus additional information available on GovAtom)

1. Mr. CODORNIU PUJALS (Cuba) said that the search for sustainable future energy options and the role to be played by various types of energy, including nuclear power, were issues of utmost importance. Cuba welcomed the efforts of the Secretariat to contribute to the global response to the challenges in question. It attached particular importance to the Agency's energy assessment services and the Agency's activities aimed at capacity-building and nuclear knowledge maintenance for sustainable energy development.

2. Cuba greatly appreciated the Agency's public information activities, particularly those aimed at ensuring that the public received objective, reliable and clear information concerning the current and future possibilities of nuclear power.

3. Cuba accorded very high priority also to applications of nuclear techniques in areas such as human health, food and agriculture, water resources management and environmental protection. The Agency's technical cooperation activities were playing an extremely important role in the development and dissemination of such applications, and the importance of CRPs in that context was increasing. In 2006, Cuban researchers had taken part in 22 CRPs connected with those areas.

4. Meetings of the experts participating in CRPs were essential for the success of such projects. Unfortunately, owing to the unjust economic, commercial and financial embargo that the Government of the United States of America had imposed on Cuba more than 40 years previously, when the meetings took place in the United States, experts from Cuba were unable to attend as they were refused visas. Accordingly, the Secretariat should select venues for meetings of CRP participants — and for training courses and other activities organized by the Agency — such that the participation of representatives of all countries without discrimination was possible.

5. Cuba welcomed the Agency's efforts to improve the radiological emergency preparedness and response arrangements in Member States and would continue supporting those efforts by providing experts and in other ways.

6. Referring to the section entitled "New Approaches to the Nuclear Fuel Cycle" in the draft Annual Report for 2006, he said that the issue had been given undue emphasis in that document, since it had not yet been debated by the Agency's policy-making organs. He expressed the hope that the final version of the document would address the issue in a more balanced manner.

7. Mr. SHAHBAZ (Pakistan) having expressed appreciation of the draft Annual Report for 2006, said that, given the plans for a significant expansion of nuclear power generation in several countries, particularly developing ones, Pakistan welcomed the Agency's activities aimed at strengthening national and regional nuclear power infrastructures. The development of SMRs, which was being supported by the Agency, would be greatly beneficial to Member States with very limited investment capacities or small electricity grids.

8. Pakistan, as a participant in INPRO, was confident that INPRO, with its holistic approach and its strong emphasis on the needs of developing countries, would facilitate the introduction of innovative nuclear energy systems.

9. The Agency should endeavour to assist interested Member States in developing infrastructures for nuclear fuel fabrication and to improve the commercial viability of nuclear power.

10. Sustaining and effectively managing nuclear knowledge and expertise was important for sustainable energy development, and INIS was very useful in that connection — as were Agency activities such as the issuing of relevant publications, the organization of workshops and the initiation of technical cooperation projects and CPRs.

11. Pakistan had participated in Agency-supported research on water use efficiency, and it greatly appreciated the Agency's assistance to Member States in achieving sustainable food security. It welcomed the development of educational packages for the optimal treatment of common cancers using cost-effective modalities and the start of work on developing International Pharmacopoeia Radiopharmaceuticals Monographs aimed at improving quality in the preparation of radiopharmaceuticals and the quality of nuclear medicine practice.

12. Pakistan, which attached great importance to the sustainable management of water resources, had participated in a number of Agency projects addressing key water resources management issues.

13. The Agency was to be commended for its programme of research relating to protection of the marine environment, and the IAEA Marine Environment Laboratories was to be commended for providing expertise, training and reference materials to Member States for the monitoring and sustainable development of their marine environments.

14. Pakistan, which greatly appreciated the Agency's support for Member States in their efforts to achieve high levels of safety and security in the area of nuclear power and technology, considered the radiological protection of patients to be equally important. Accordingly, it welcomed the launching by the Agency of a website with up-to-date information for health professionals on the radiological protection of patients.

15. The Annual Reports of the Agency were a useful source of information both for policy-makers and senior officials in Member States and for the general public. Since the Agency was perceived by the general public mainly as a verification authority in the nuclear field, there was an urgent need to increase the visibility of the Agency's role in promoting peaceful applications of nuclear technology. The format of the Agency's Annual Reports should be modified to that end, with the inclusion of an introduction on the activities detailed in each section.

16. Mr. MACGREGOR (United Kingdom) said that 2006 had been a momentous year for the Agency, which had made progress in many areas. The spirit of "Atoms for Peace" and the role of the Agency as watchdog of the prospective massive new generation of nuclear facilities had never been of greater relevance. The Director General and his staff were to be congratulated on their achievements.

17. Referring to the "Nuclear Security" section of the draft Annual Report for 2006, he said that, following the establishment of the Nuclear Security Fund, helping Member States to fulfil their nuclear security responsibilities had become one of the Agency's core tasks.

18. Any serious failure in the area of nuclear security would have the same impact on Member States' nuclear programmes and applications of radioactive sources as a serious safety event. Accordingly, his delegation attached great importance to the preparation of Integrated Nuclear Security Support Plans (INSSPs) and looked forward to their rapid implementation, where necessary with donor support. Also, it greatly appreciated the efforts being put into training and the development of the IAEA Nuclear Security Series of guidance publications.

19. The Agency could clearly make an important contribution to the Global Initiative to Combat Nuclear Terrorism, as had been recognized by its being granted observer status. In that regard, his

delegation had noted the continuing efforts of the Agency to assist States in building the capacity necessary for preventing terrorists from gaining access to nuclear and other radioactive materials and to related facilities, as called upon to do in the United Nations Global Counter-Terrorism Strategy.

20. His delegation would like to see all Member States contributing to the Nuclear Security Fund, in order that the important nuclear security work of the Agency might continue.

21. Mr. OTHMAN (Syrian Arab Republic) said that his country, while appreciating the Agency's efforts in all fields in 2006, continued to attach great importance to securing a balance between the three pillars of the Agency's mandate, since developing Member States were primarily interested in the role of the Agency in helping them to build national capacities for the peaceful utilization of nuclear energy in support of their economic and social development. At the same time, it continued to attach great importance to the activities of the Agency in implementing the non-proliferation regime, and it would like to see all States respecting the independence of the Agency in that connection.

22. His country welcomed the Agency's focus on providing appropriate support to Member States interested in beginning to use or expanding their use of nuclear power and hoped that the Middle East region would receive greater Agency attention in that connection.

23. The Syrian Arab Republic, which considered the Agency's energy assessment services to be very useful, attached great importance to the Agency's role in facilitating the transfer of nuclear technology for peaceful purposes and to what had been described in paragraph 6 of General Conference resolution GC(50)/RES/13.B as "the Agency's activities in the areas of nuclear science and technology for nuclear power applications in Member States".

24. His delegation looked forward to examining the report of the Director General, requested in paragraph 9 of that resolution, on innovative means of financing nuclear power as an option in meeting the energy needs of interested developing countries.

25. His country attached particular importance to nuclear applications in the areas of food and agriculture, water resources management and the protection of marine and terrestrial environments, and it greatly appreciated the Agency's efforts in those areas in 2006.

26. Nuclear safety and security was primarily a responsibility of States. However, the Agency had an important role to play in helping States to enhance their nuclear safety and security capabilities, in promoting international cooperation within the framework of the relevant international legal instruments and in providing the necessary standards and guidelines.

27. The Syrian Arab Republic welcomed the conclusions of INLEX relating to the development of guidelines and generic minimum legislation to assist States and to the setting by States of limits beyond the standards contained in the international nuclear liability instruments or the adoption by them of common standards. It also welcomed INLEX's recommendation regarding the establishment of new maximum limits for the exclusion of small quantities of nuclear material from the scope of application of the relevant nuclear liability instruments.

28. The Agency's technical cooperation programmes were important for accelerating and enlarging "the contribution of atomic energy to peace, health and prosperity throughout the world" pursuant to the Statute. Ensuring that Member States were able to use the nuclear technologies provided to them through those programmes in a safe and secure manner should not be allowed to hamper nuclear technology transfer for peaceful purposes — the two activities should take place in parallel, in conformity with General Conference resolution GC(50)/RES/12. At the same time, it should be borne in mind that in that resolution the General Conference had recalled the "shared responsibility" of Member States as regards the financing and enhancement of the Agency's technical cooperation

activities. In that connection, his country would like to see all Member States paying their full TCF target shares.

29. Strengthening of the safeguards regime should not be allowed to lead to a reduction in the resources available for technical cooperation. Moreover, it was important that States respect the sensitivity of the Agency's safeguards activities and enable the Agency to carry out those activities without pressure exerted for propaganda purposes.

30. His delegation was ready to study all proposals relating to the reduction of the risks associated with the spread of sensitive nuclear technologies, including proposals for the establishment of an international nuclear fuel supply mechanism. In its view, such a mechanism would have to be transparent and respect the inalienable right of States to use nuclear technology for peaceful purposes as enshrined in international legal instruments like the NPT, thus allaying the concerns not only of exporting but also of importing countries.

31. The Agency played a vital role in helping countries, at their request, to attain the highest level of safety and security at their nuclear installations, and his country attached great importance to the standards developed by the Agency for that purpose.

32. Mr. EL-DEEN EL-MISSLATTI (Libyan Arab Jamahiriya), having welcomed the format of the draft Annual Report for 2006, said that the Agency should further facilitate the exchange of nuclear information, capacity-building and technology transfer through its technical cooperation programmes.

33. His country, which was planning to build a reactor for seawater desalination and electricity generation, would be requesting the Agency to provide the requisite legal and technical advice. It had already invited several companies to help with the construction of the reactor. In addition, it had signed a memorandum of understanding with the French energy group Areva regarding uranium prospecting on Libyan territory.

34. The Libyan Arab Jamahiriya attached great importance to the development of SMRs suitable for use in seawater desalination in countries with very scarce fresh water resources. It would welcome the launching by the Agency — with the participation of all interested Member States — of a pilot project on seawater desalination using nuclear power.

35. Referring to nuclear applications in the field of water resources management, he expressed appreciation of the assistance provided to his country through the Department of Technical Cooperation and said that the recent establishment of an isotope hydrology capability at the Tajoura Nuclear Research Centre would greatly assist water resources management in his country and nearby States.

36. Conversion of the research reactor at the Tajoura Nuclear Research Centre from HEU to LEU fuel under a cooperation agreement with the United States of America had now been completed, and the reactor had been operating with LEU fuel since April 2007. The fresh HEU fuel had been returned to the Russian Federation and the spent HEU fuel would be returned after cooling.

37. With regard to the Agency's verification activities, as long as nuclear-weapon States were treated differently from non-nuclear-weapon States the Agency would be unable to draw safeguards conclusions regarding all the nuclear material in the world. There was a need for a uniform safeguards regime with comprehensive safeguards agreements and additional protocols being implemented without discrimination in all States.

38. Mr. VALLIM GUERREIRO (Brazil), having welcomed the draft Annual Report for 2006, said that, in his country's view, nuclear power could play an important role in helping to meet the growing global demand for energy and in enhancing the security of energy supplies. As far as Brazil was

concerned, recent projections had pointed to a need to increase the share of nuclear power in the national energy mix by the year 2030, although hydroelectric power would continue to be the country's main source of energy.

39. His country considered nuclear power, which was associated with the emission of practically no greenhouse gases, to be a safe and reliable source of energy. It therefore attached great importance to INPRO and the GIF. As a very active participant in both initiatives, it welcomed the recent adherence of Belarus, Japan, Kazakhstan and Slovakia to INPRO and that of China and the Russian Federation to the GIF.

40. Brazil also attached great importance to INIS as a mechanism for preserving and disseminating nuclear knowledge.

41. Referring to paragraph 9 in the section of the draft Annual Report for 2006 entitled "The Sterile Insect Technique (SIT) for the Sustainable Control of Insect Pests", he said that the sterile medfly production facility established in Brazil with the support of the Agency, UNDP and several national development institutions had been inaugurated in September 2006.

42. Commending the work being done by the Agency within the framework of PACT, he said that the Brazilian National Cancer Institute stood ready to receive Agency fellows for training and to make experts available to the Agency.

43. Brazil shared the Agency's opinion that high standards of nuclear, radiation, transport and radioactive waste safety were essential for the future growth of nuclear power, and it believed that the safe operation of nuclear facilities was crucial to the acceptance of nuclear power by the public. It therefore commended the Secretariat members and everyone else who had been involved in the development of the Fundamental Safety Principles approved by the Board in September 2006.

44. Brazil, which was supporting the Agency's work on establishing guidelines for the Safety Evaluation during Operation of Fuel Cycle Facilities (SEDO) service, had in April 2006 hosted a pilot SEDO mission. The experience gained during the pilot mission was being taken into account in the finalization of the SEDO guidelines.

45. Brazil was participating very actively in the Ibero-American Forum of Nuclear Regulators, which had in 2006 established the Ibero-American Nuclear and Radiation Safety Network for the sharing of information on — inter alia — national legislation, the radiological protection of patients and the safety of radioactive sources.

46. On 11 May 2007, Brazil and the Agency had signed a cooperation agreement concerning nuclear security measures during the Pan-American Games due to be held in July 2007 in Rio de Janeiro. Equipment and training would be provided to Brazil under the agreement, implementation of which should enable the Brazilian authorities to learn from the experience of Germany and Greece in hosting recent major sporting events. Brazil stood ready to share the experience gained by it in July with China and South Africa.

47. Referring to paragraph 58 of the section of the draft Annual Report for 2006 entitled "Issues and Events in 2006" and paragraph 2 of the "Verification" section, he said that the way in which those paragraphs were worded might give the impression that comprehensive safeguards agreements played a role secondary to that of additional protocols. As representatives of his country had repeatedly stated, additional protocols were just one of the safeguards tools available to the Agency. The wording of the Safeguards Implementation Report for 2006 was more factual and objective.

48. Mr. SKOKNIC (Chile) said that his country welcomed the expansion of the access of Member States to nuclear applications in areas such as food production, human health, environmental protection, industry and water resources management.

49. Chile also welcomed the commencement of Phase 2 of INPRO, in which Chile was a participant.

50. With regard to spent fuel and radioactive waste management, the Secretariat was to be commended for its efforts in response to the problem of the growing inventories of spent fuel.

51. Referring to paragraph 23 in the section of the draft Annual Report for 2006 entitled "Research Reactor Conversion and HEU Repatriation", he said that the conversion of the Chilean Nuclear Energy Commission's RECH 1 facility from HEU to LEU fuel had been completed on 11 May 2006, marking the culmination of a process which had begun 20 years previously and which had underscored the commitment of Chile to the exclusively peaceful utilization of nuclear energy. In that regard, Chile was grateful to the Government of Norway for organizing, in cooperation with the Agency, a symposium and workshop — held in June 2006 — on the conversion of research reactors from HEU to LEU fuel.

52. Chile, which attached great importance to nuclear applications in the field of human health, welcomed the regional activities being carried out within the framework of PACT. It also attached great importance to quality assurance in radiation medicine and medical physics and dosimetry.

53. Regarding the safety and security of nuclear material and facilities, Chile was particularly concerned about safety and security during the transport of nuclear material — an issue which, in Chile's view, should remain on the Agency's agenda.

54. In that regard, his country attached great importance to the Transport Regulations, with which all those involved in the transport of nuclear material should comply. It also attached great importance to the dialogue that had been taking place between the representatives of coastal States and of shipping States within the framework of the Agency — in its view, that dialogue was extremely useful.

55. Referring to paragraph 2 of the section of the draft Annual Report for 2006 entitled "Incident and Emergency Preparedness and Response", which described the Agency's response to a radiological incident that had occurred in Chile towards the end of 2005, he expressed appreciation of the manner in which the Agency had responded and said that his country was grateful to the Government of France for its support following the incident and to the doctors and other medical staff of the Percy Military Hospital, Paris, who had been treating the most severely affected person. According to a report received a few days previously, that person was making good progress.

56. Chile would continue to support the Agency's efforts to combat nuclear and radiological terrorism, including the activities of the Agency aimed at achieving universal application of the international legal instruments relating to the physical protection of nuclear material and facilities

57. Referring to paragraph 6 in the "Safeguards" section of the draft Annual Report for 2006, he welcomed the fact that in 2006 the Agency had been able to conclude that all the nuclear activities in Chile were being conducted exclusively for peaceful purposes.

58. Mr. BERTONCELJ (Slovenia) said that with more nuclear power reactors under construction in — and greater increases in energy consumption forecast for — developing countries than industrialized ones, the world nuclear power map, where the focus had so far been on industrialized countries, was going to change.

59. The life extension of nuclear power plants was attractive because such plants were relatively inexpensive to operate. Slovenia was interested in the life extension option as its Krško nuclear power plant was in the third quarter of its design lifetime.

60. Commending the Agency for organizing the International Conference on the Management of Spent Nuclear Fuel from Nuclear Power Reactors held in Vienna in June 2006, he called for more international cooperation in the field of spent nuclear fuel management, particularly with a view to the reaching of agreement on technical solutions for the permanent disposal of spent nuclear fuel.

61. With regard to the decommissioning of nuclear facilities and to research reactor conversion and HEU repatriation, Slovenia stood ready to continue making experts available in support of the Vinča Institute decommissioning project under way in Serbia.

62. In the opinion of his country, which attached great importance to nuclear security, the Agency's activities in that area needed to be accompanied by strong national efforts to prevent the misuse of nuclear material.

63. Mr. CARON (France) said that the draft Annual Report for 2006 clearly underlined the promise of nuclear power as a reliable and environmentally friendly energy source. In that connection, his country welcomed the energy assessment services being offered by the Agency to Member States interested in evaluating the available power generation options.

64. France welcomed the adoption by the General Conference in 2006 of an innovative resolution confirming the role of nuclear power as an energy source and setting out possible ways in which the Agency could in future help countries wishing to benefit from nuclear power in the interests of sustainable development.

65. Any expansion of nuclear power would have to be accompanied by new approaches to the nuclear fuel cycle in order to address the concerns of certain countries which wished to benefit from nuclear power. In that connection, France had — together with Germany, the United States, Russia, the Netherlands and the United Kingdom —proposed the creation of a multilateral mechanism for ensuring access to nuclear fuel.

66. France would continue to make constructive proposals in support of the responsible development of nuclear power, advocating pragmatic solutions which took account of industrial and economic realities and which were in conformity with the highest standards of safety — a key issue as regards public acceptance.

67. With other nuclear technology holders, France had contributed to the organization of the workshop held under Agency auspices in December 2006 on infrastructure issues important for the introduction of nuclear power in developing countries, and it stood ready to support future Agency activities relating to that subject.

68. France, which attached great importance to international cooperation in the development of innovative nuclear power technologies, was a member both of the GIF, which it was currently chairing, and of INPRO, serving in its Steering Committee.

69. Referring to paragraph 22 in the "Nuclear Fusion" section of the draft Annual Report for 2006, he recalled that the International Thermonuclear Experimental Reactor (ITER) was to be built at Cadarache, France, and said that steady progress was being made in the field of controlled nuclear fusion research. France welcomed the fact that the Director General was the depositary for the agreements relating to the ITER International Fusion Energy Organization.

70. France welcomed the legislative assistance being provided by the Agency to countries which wished to establish the legal frameworks necessary for ensuring favourable conditions for the peaceful uses of nuclear energy. In order to strengthen France's legal framework, a law creating an independent Nuclear Safety Authority and a law covering the management of all categories of radioactive waste had been passed in June 2006.

71. France welcomed the information in the draft Annual Report for 2006 relating to the safety of nuclear power plants and research reactors and to safety in the transport of radioactive material.

72. The Agency was to be commended for organizing IRRS missions like the one hosted by France in November 2006.

73. His country welcomed the increase in international support for the Code of Conduct on the Safety and Security of Radioactive Sources during 2006 and the Board's approval of Fundamental Safety Principles for publication in September 2006.

74. Mr. KUCHINOV (Russian Federation) said that the draft Annual Report for 2006 pointed — for the first time in recent years — to a future expansion of the role of nuclear power in meeting the growing need for energy in the world at large and particularly in developing countries. For that expansion to take place, it was necessary to create political and economic conditions which would ensure the full exercise by States without nuclear power programmes party to the NPT and fulfilling their NPT obligations of the right to use atomic energy for peaceful purposes. To that end, a proposal had been made by President Putin of Russia regarding the establishment of a global mechanism for providing all interested countries that faithfully met the requirements of the non-proliferation regime with equal access to nuclear power, and similar proposals had been made by the Director General and others.

75. A key common element of all those proposals was that countries fulfilling their non-proliferation obligations would, regardless of changes in the international situation or following any other turn of events, be assured of nuclear fuel cycle services, albeit without access to uranium and processing technologies.

76. Pursuant to President Putin's proposal, it had been decided in Russia that a pilot project would be launched with a view to the establishment, at the Angarsk Electrolysis Chemical Complex, of an international uranium enrichment centre which would guarantee enrichment services for the participating organizations without giving them access to enrichment technology. During a visit by President Putin to Kazakhstan in May 2007, an agreement between the Governments of Russia and Kazakhstan regarding the establishment of the centre had been signed — an agreement whereby the centre would have international legal status and juridical personality.

77. His country was working to ensure that the pilot project and the Agency's initiative relating to assurances of nuclear fuel supplies were complementary.

78. Wishing to further improve the global prospects for nuclear power and at the same time strengthen the non-proliferation regime, the Russian Federation was placing great hopes in the international cooperation under way regarding the development of innovative nuclear power systems that possessed inherent safety features and were proliferation-resistant. In that connection, it welcomed the increase in the number of INPRO members, the completion of INPRO Phase 1 and the start of Phase 2, and it would like to see further synergies developed with initiatives such as the GIF.

79. The Agency's efforts aimed at countering the threat of nuclear and radiological terrorism were very timely, particularly given the present world situation. His delegation therefore welcomed the start of implementation of the Nuclear Security Plan for 2006–2009.

80. An extremely important event in 2006 had been the announcement by Presidents Putin and Bush, at the G8 summit in St. Petersburg, of a Global Initiative to Combat Nuclear Terrorism. Many of the nuclear security issues which the Agency had been addressing successfully for several years were relevant to the goals of the Global Initiative, in which the Agency's participation as an observer was therefore completely appropriate.

81. The Agency, the United States and Russia were continuing to cooperate fruitfully within the framework of the Russian Research Reactor Fuel Return Programme. Approximately 500 kg of fresh HEU fuel had already returned to Russia (over 300 kg of it in 2006 — from Germany, the Libyan Arab Jamahiriya and Poland) and contracts had been signed earlier in 2007 for the repatriation of fresh HEU fuel from Vietnam and further such material from Poland.

82. In 2006, the Russian Federation had become a contracting party to the Joint Convention and had participated in the Second Review Meeting of Contracting Parties. It greatly appreciated the role played by the Agency in promoting cooperation among the contracting parties by facilitating exchanges of information and experience.

83. As States' nuclear activities increased, the importance of the application of Agency safeguards to those activities was also increasing, since the international community needed complete assurances regarding their peaceful nature and only the Agency was equipped to draw the necessary conclusions. His country therefore greatly appreciated Agency efforts aimed at promoting the conclusion of additional protocols and welcomed the progress made in that respect in 2006.

84. His country also welcomed the initial results of the follow-up to the Board's decision regarding modification of the standard text of SQPs.

85. The Russian Federation, which intended to continue supporting the Agency very actively, attached great importance to maintenance of the balance among the Agency's main statutory functions: the promotion of cooperation in the peaceful utilization of nuclear technologies; the promotion of nuclear and radiation safety; and verification of the non-diversion of nuclear materials for military purposes.

86. Mr. PANUPONG (Thailand) said that his country greatly appreciated the role which the Agency had played during the past 50 years in facilitating the exchange of nuclear information and knowledge, capacity-building and technology transfer, in order to ensure that nuclear science and technologies contributed to the socio-economic development of Member States.

87. Recognizing the importance of nuclear power for energy security, his country welcomed the establishment of the interdepartmental Nuclear Power Support Group and the publication of technical documents related to strengthening national and regional nuclear power infrastructures. The prospects of nuclear power in Thailand would feature prominently at its 6th National Congress on Science and Technology, to be held in Bangkok in July 2007.

88. His country welcomed the Agency's INIS-related activities, especially the support being provided through the Agency to the Asian Network for Education in Nuclear Technology.

89. Thailand, which was supporting the IAEA Nobel Cancer and Nutrition Fund and had in 2006 hosted an IAEA Nobel Peace Prize special event designed to help raise awareness of the growing cancer epidemic in the developing world and of the need for comprehensive cancer control planning, would like to see more efforts being made by Member States in support of PACT.

90. Thailand welcomed the progress made in implementing the Action Plan for the Development and Application of IAEA Safety Standards and the establishment of the IRRS. It also welcomed the

increase in the number of States that had committed themselves to complying with the Code of Conduct on the Safety and Security of Radioactive Sources.

91. Mr. HORVATIĆ (Croatia) said that, with the increasing global demand for energy, States should consider a possible expansion of the use of nuclear power while minimizing the proliferation risks created by a further spread of sensitive nuclear technologies such as uranium enrichment and spent fuel reprocessing. At the same time, it should be borne in mind that large power reactors benefited from economies of scale but were not necessarily suitable for countries with limited investment capacities or small electricity grids.

92. As concluded at the International Conference on the Management of Spent Fuel from Nuclear Power Reactors organized by the Agency in cooperation with OECD/NEA and held in June 2006, after more than 50 years of experience of storing spent fuel safely and effectively there was a high level of confidence in both wet and dry storage pending the establishment of final repositories for all high-level waste.

93. During 2006, an ancient bronze statue which had lain at a depth of 45 m in the Adriatic Sea for some 2000 years near a Croatian island had been characterized by Croatia's conservation institute and Ruđer Bošković Institute with the help of accelerator-based techniques. The accelerator used had been upgraded through technical cooperation project CRO/1/005 — Nuclear Techniques for the Analysis and Preservation of Cultural Heritage.

94. His country welcomed the establishment of a unified action plan on patient dose management for the avoidance of accidental exposures in medical procedures in over 78 Member States. It also welcomed the establishment of the Quality Assurance Team for Radiation Oncology (QUATRO) service; one of Croatia's hospitals had recently applied for a QUATRO audit.

95. As a country rich in high-quality water resources, Croatia would like to see all Member States assessing their groundwater resources with the help of isotope hydrology techniques.

96. Croatia greatly appreciated the assistance provided through technical cooperation project CRO/9/009 — Management and Safe Storage of Spent or Disused Sealed Sources — to its Institute for Medical Research and Occupational Medicine with the inventorying and storage of about 300 disused sealed sources.

97. His country was grateful to the Agency for organizing and supporting emergency exercises conducted within the framework of the Early Notification Convention and the Assistance Convention.

98. Croatia, which had participated in the Second Review Meeting of Contracting Parties to the Joint Convention, had greatly appreciated the commitment demonstrated at that meeting to improving policies and practices, particularly with regard to national strategies, to engagement with stakeholders and the public, and to the control of disused sealed sources.

99. Mr. SMITH (Australia) said that the draft Annual Report for 2006 provided a useful picture of the wide variety of activities undertaken by the Agency in the year under review, accurately portraying the prominent role of the Agency in addressing issues of concern to the international community.

100. With regard to the denial of shipments of radioactive material, Australia fully endorsed the statement in the draft document that the application of relevant national and international regulations based on the Agency's Transport Regulations ensured high standards of safety. Also, his country welcomed the acknowledgement of the fact that the denial or delay of shipments, which occurred even in cases where all relevant regulations were being complied with, could result in hardships for recipients such as patients waiting for the benefits of nuclear medicine. It should be borne in mind, however, that shipping denials or delays were problematic in the case of all Class 7 radioactive

material, not just radionuclides for medical purposes. Shipments of nuclear fuel cycle products such as uranium ore concentrate were also subject to denials and delays, which could have an adverse impact on the reliability of supply of nuclear-power-generated electricity. It was therefore important that the Agency's Annual Reports convey the true scope of that problem.

101. Mr. WIBOWO (Indonesia) said that the draft Annual Report for 2006 provided a valuable insight into the Agency's activities. The Agency particularly deserved commendation for its positive role in strengthening national and regional nuclear power infrastructures and thereby enhancing the ability of Member States to improve nuclear power plant performance. In that regard, Indonesia welcomed the Agency's publications on the infrastructure necessary in a country wishing to construct and operate a first nuclear power plant.

102. Indonesia greatly appreciated the efforts being made by the Agency to enhance Member States' capacities in the area of nuclear knowledge preservation and in energy system analysis and assessment of the potential role of nuclear power in meeting future energy needs.

103. Indonesia was committed to supporting INPRO, for which it would be making a cost-free expert available. It had recently been visited by an INPRO team with which there had been discussions on the common user criteria for the deployment of nuclear power plants in developing countries.

104. As one of the countries worst hit by avian influenza, Indonesia stood ready to participate in the CRP on the rapid diagnosis of that disease.

105. Drawing attention to the workshop held in his country within the framework of a CRP on the use of LEU targets for the small-scale production of molybdenum-99, he said that Indonesia greatly appreciated the Agency's efforts to increase the ability of Member States to apply nuclear science as a tool for economic development.

106. Indonesia was concerned about the fact that in 2006 the Agency had been informed of 168 events involving or suspected of involving ionizing radiation even though most of them had been found to have no safety significance and/or no radiological impact on people or the environment. It had recently hosted a workshop on emergency preparedness and response for participants in the Asian Nuclear Safety Network. The workshop had covered issues such as the appraisal of compliance with international standards through mechanisms like EPREV missions.

107. Within the framework of regional technical cooperation project RAS/3/009, Strengthening Infrastructure for Radioactive Waste Management, Indonesia had recently hosted a regional coordination meeting. Within the framework of an extrabudgetary programme on the safety of nuclear installations in countries of South East Asia and the Pacific and the Far East, it had recently hosted a training course on the assessment of the safety of radioactive waste disposal facilities.

108. Indonesia welcomed the fact that the number of States party to the NPT yet to conclude comprehensive safeguards agreements within the Agency had decreased from 36 to 31 and that 78 States now had additional protocols in force. It would like to see all States party to the NPT that had not yet done so concluding comprehensive safeguards agreements and additional protocols, thereby demonstrating their firm commitment to nuclear non-proliferation.

109. Mr. MINTY (South Africa) congratulated the Director General on being awarded the Golden Dove of Peace prize by the President of Italy. That prize, in conjunction with the 2005 Nobel Peace Prize, reflected the continuing trust placed in the Director General and the recognition of his unique contribution to peace through his untiring efforts aimed at nuclear disarmament and non-proliferation. His innovative ideas merited serious consideration.

110. With more and more countries contemplating the nuclear power option, South Africa welcomed the establishment of the interdepartmental Nuclear Power Support Group within the Secretariat. It also welcomed IAEA-TECDOC-1513, "Basic infrastructure for a nuclear power project", which provided information essential for countries planning to embark on nuclear power programmes.

111. In South Africa, where nuclear power currently accounted for about 6% of electricity production, the Department of Minerals and Energy had in 2006 announced plans to reduce dependence on coal-fired power stations and to build two further conventional nuclear reactors. They would be sited either near the Koeberg Nuclear Power Station or at other sites to be identified in due course by Eskom.

112. South Africa was considering ways of cooperating with other countries in all stages of the fuel cycle, from the mining and processing of uranium to nuclear power generation, fuel reprocessing and nuclear waste disposal.

113. South Africa, which was participating in INPRO and the GIF, was making good progress with its pebble bed modular reactor (PBMR). It expected that the construction of a demonstration PBMR would be completed by 2011, with the first commercial models planned for 2013.

114. In 2005, the South African Government had approved the conversion of the country's only research reactor, SAFARI, from HEU to LEU fuel. South Africa was thus supportive of the international efforts being made to convert civilian nuclear facilities from HEU to LEU. However, if the issue was that of reducing the threats to collective security, and not merely the real or perceived threats against a select few, the focus should not be exclusively on reducing reliance on HEU for peaceful purpose, without any real commitment to and progress towards eliminating the HEU and other fissile materials being used primarily for military purposes. Furthermore, in the military arena, the focus should not be exclusively on HEU, without similar attention being paid to other materials used in the production of nuclear weapons, including plutonium and other transuranic elements and tritium. South Africa believed that the threats to human existence constituted by the continuing use of such materials for weapons purposes remained as real as ever.

115. It had been originally agreed by all States party to the NPT, and subsequently reaffirmed at every NPT Review Conference, that nothing in the NPT should be interpreted as affecting the inalienable right of all the parties to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I, II and III.

116. In 2006, South Africa had signed its 2005–2010 CPF. With a view to ensuring the sustainability of the Agency technical cooperation projects approved for South Africa and in line with the Agency's Technical Cooperation Strategy, his Government had set aside some additional funding for such projects.

117. South Africa, which noted with appreciation that Agency technical cooperation disbursements for African countries had amounted to over US$ 25 million in 2006, placed particularly high priority on technical cooperation in the areas of human health, food and agriculture, physical and chemical applications and water resources. Scientists and other experts from South Africa had participated in Agency cancer research projects, and his Government fully supported PACT.

118. In December 2006, South Africa had hosted a Special Event on Cancer Control in Africa, which had addressed issues such as the importance of comprehensive cancer control planning at the national level and the need for additional funding given the growing burden of cancer in Africa. Nobel Laureates Nelson Mandela and Archbishop Desmond Tutu had voiced support for PACT, and the Cape Town Declaration on Cancer Control in Africa had been adopted in an effort to confront the

looming cancer crisis in African countries through — inter alia — joint strategies and investments in expanded radiotherapy.

119. Ms. CONTRERAS DE ECKER (Argentina), having commended the Secretariat on the draft Annual Report for 2006, said that her country was carefully studying the various reported proposals relating to the nuclear fuel cycle, including the proposal made by Germany. In that context, Argentina continued to believe in the right of States to develop their own nuclear technologies and operate enrichment facilities in strict conformity with the provisions of the NPT.

120. With regard to nuclear fuel performance, at the Atucha I nuclear power plant Argentina had demonstrated that fuel burnup in PHWRs could be increased through the use of LEU fuel elements. It was envisaged that LEU fuel elements would be used at the Atucha II nuclear power plant, which was currently under construction.

121. As regards the paragraph entitled “International Appraisal in Argentina” in the “Management of Radioactive Waste” section of the draft Annual Report, her Government was grateful to the Agency for the speed and efficiency with which it had organized the requested independent and authoritative appraisal of any contamination of underground water in the vicinity of the Ezeiza Atomic Center with anthropogenic radioactive substances. The appraisal had confirmed the conclusion of Argentina’s Nuclear Regulatory Authority — that the uranium in the groundwater was of natural origin and there was no radiological risk involved in using the water — and had helped to reassure the public.

122. Argentina attached great importance to the establishment of strong and sustainable radiation and transport safety infrastructures at the national and the regional level, including effective regulatory structures. Her Government agreed that nuclear knowledge management had become a major challenge, and Argentina’s Nuclear Regulatory Authority had recently established a programme for the management of knowledge important for regulatory activities.

123. As regards education and training in radiation protection and nuclear safety, her country had continued to make progress towards becoming a regional centre for training — based on its traditional postgraduate course — in radiation protection and the safety of radioactive sources. In that connection, it had in 2006 negotiated a long-term agreement with the Secretariat, and it hoped that the agreement would be concluded soon.

124. In 2006, the members of the Ibero-American Forum of Radiological and Nuclear Regulatory Agencies — recently joined by Uruguay — had worked very hard within the framework of an extrabudgetary programme on radiation safety in the Ibero-American region. The first version of an information platform for PSAs of cobalt therapy facilities was now operational, and work was continuing on the development of PSA techniques for high-doserate manual brachytherapy and for linear accelerators used in medicine. Also, projects aimed at constantly improving the regulatory framework for the control of medical exposures in the Ibero-American region and for the safe management of radioactive sources were continuing — and projects in the fields of nuclear security and physical protection were being planned.

125. Argentina, which was pleased with the results of the Second Review Meeting of Contracting Parties to the Joint Convention, particularly welcomed the progress made since the First Review Meeting. The results of the Second Review Meeting had highlighted the importance of the Joint Convention for the building and strengthening of safety culture and the need to preserve the Joint Convention's incentive character.

126. Argentina greatly appreciated the work done in 2006 by the Agency’s safety standards committees and the Commission on Safety Standards, which was reflected in improvements in the structure of the Agency’s safety standards.

127. The Secretariat's technical instruments for ensuring that nuclear material and facilities were used exclusively for peaceful purposes had been shown to be very powerful. That being so, references in publicly available documents such as the Agency's Annual Reports to the limited nature of the Agency's safeguards conclusions for countries without an additional protocol in force could be counterproductive as regards the perception of the effectiveness of the Agency's verification activities.

128. Referring to the section of the draft document under consideration entitled "Revision of the Basic Safety Standards", she said that it did nothing to clarify the situation regarding their revision. Her Government attached great importance to what would result from their revision since Argentina's radiation safety regulations had always been consistent with the Basic Safety Standards — as had the radiation safety standards of many other Member States. Consequently, the Basic Safety Standards should be revised in a careful, professional manner, with the extensive participation of Member States — and that should be reflected in the final version of the Annual Report for 2006.

129. Her Government, which was pleased with the emphasis being placed by the Secretariat on the radiation protection of patients undergoing diagnostic radiology and radiotherapy, understood that the Secretariat was interested in organizing a workshop on the subject and that a proposal to hold the workshop in parallel with the forthcoming XIIth Congress of the International Radiation Protection Association (IRPA 12), due to take place in Buenos Aires in October 2008, had been made. It fully supported that proposal.

130. The draft Annual Report for 2006 made no reference to the fact that in September 2006 the General Conference had, in resolution GC(50)/RES/10, encouraged the Secretariat to support the dissemination of information arising from IRPA 12 and to support the participation of developing countries in that event. Her Government would like the Secretariat to come forward with a clear statement on how the information from IRPA 12 would be disseminated. Wide dissemination through the Agency's publications system would fulfil the General Conference's request.

131. Mr. HERASYMENKO (Ukraine)*, speaking on behalf of GUAM, expressed appreciation of the work of the Agency relating to the three pillars of its mandate and welcomed the Agency's continuing efforts in the field of technical cooperation.

132. With the expected growth of nuclear power, a steady supply of nuclear fuel would be essential. Accordingly, GUAM welcomed the fact that in 2006 the Agency had continued to facilitate discussions on the initiatives of Russia and the United States aimed not only at strengthening non-proliferation, but also at ensuring that Member States were provided with nuclear fuel cycle services, including uranium enrichment services, on a non-discriminatory basis and under the Agency's supervision.

133. The decommissioning of the Chernobyl nuclear power plant and related activities remained on the Agency's agenda. GUAM hoped that the Agency's interest in the Chernobyl issue would not decrease, as joint efforts on the part of the entire international community were required in order to meet the challenges involved.

134. GUAM welcomed the Research Reactor Decommissioning Demonstration Project initiated by the Agency in 2006.

135. GUAM welcomed the fact that Phase-II of INPRO had begun in 2006. It also welcomed the signing of an agreement setting up the ITER International Fusion Energy Organization.

136. The GUAM countries, which welcomed the creation of the Nobel Peace Prize Cancer and Nutrition Fund, attached great importance to PACT, from which they had benefited.

137. Fellowships at and scientific visits to the Agency's laboratories in Seibersdorf had been of great value to professionals from many countries, including GUAM countries, and GUAM hoped that they would continue to be arranged. Also, GUAM attached great importance to the work of the IAEA Marine Environment Laboratory in Monaco.

138. GUAM welcomed the Board's approval for publication of Fundamental Safety Principles and attached great importance to the Agency's efforts aimed at improving the management of spent fuel and radioactive waste.

139. GUAM also attached great importance to the Agency's nuclear security programme, to the peer review mechanism established in support of implementation of the Convention on Nuclear Safety and the Joint Convention, and to INIS.

140. The GUAM countries, which welcomed the progress made by the Agency in exercising its safeguards rights and fulfilling its safeguards obligations, would continue to support the Agency's activities aimed at strengthening the effectiveness and improving the efficiency of the safeguards system.

141. Mr. CSERVENY (Director, Office of External Relations and Policy Coordination) said that the Secretariat had noted all comments made and would take them into account as appropriate when producing the final version of the Annual Report for 2006.

142. The Annual Reports of the Agency reached policy-makers and senior officials in Member States, and the Secretariat would make further efforts to disseminate them as widely as possible. As regards the contents, the Secretariat would continue to bear in mind the fact that the Agency's Annual Reports were also made available to the general public.

143. Responding to the comments on the section of the draft Annual Report for 2006 entitled "New Approaches to the Nuclear Fuel Cycle", he said the Secretariat would consult with concerned delegations regarding the modality of dealing with that topic in the final version of the document.

144. With regard to the revision of the Basic Safety Standards, all the co-sponsors of the Basic Safety Standards were involved and a meeting of their representatives would be taking place in July 2007. The work of revision was therefore not yet complete.

145. As to the description of the relationship between comprehensive safeguards agreements and additional protocols, the wording in the draft Annual Report for 2006 did not differ significantly from that in the Annual Report for 2005. There had been discussions of the subject in the past, and the Secretariat was aware of the opinions of the Member States concerned about that subject, and would bear them in mind in the process of finalizing the Annual Report for 2006 and make adjustments if necessary.

146. The CHAIRMAN, summing up, said that the Board had commended the Secretariat for the format and quality of the draft Annual Report contained in document GOV/2007/19 and the additional information provided by it, which reflected in a well-balanced way the important results of the Agency's activities in 2006. The introductory chapter, "Issues and Events in 2006", had been welcomed as it highlighted the major issues and challenges that had faced the Agency during 2006 and contained an analysis of emerging trends relating to the three pillars of its activities — technology, safety and verification.

147. Appreciation had been expressed for the continuing efforts of the Secretariat to make the Agency's Annual Reports more reader-friendly.

148. Wide-ranging comments had been made on Agency activities and on issues relevant to those activities such as the promotion of nuclear power, the provision of energy assessment services, the development of innovative reactor and fuel cycle technologies and new approaches to the nuclear fuel cycle, nuclear applications in the areas of food and agriculture, water resources management and human health (particularly the treatment of cancer), sustainable development, technology transfer, the environment and climate change, education and training, radiation and transport safety, denials of shipment of radioactive materials, nuclear security, nuclear knowledge management and human capacity-building, nuclear verification and personnel matters.

149. At the same time, some suggestions had been made for the elaboration of or for other changes to the draft Annual Report.

150. The Secretariat would, as was the usual practice, take due account of all comments and suggestions made when finalizing the document before its submission to the General Conference.

151. He took it that the Board wished to approve the draft Annual Report for 2006 contained in document GOV/2007/19 for transmission to the General Conference, as required by Article VI.J. of the Statute, with necessary editorial and factual changes made in the light of the discussion and, where appropriate, in consultation with concerned delegations.

152. It was so decided.

4. Technical Cooperation Report for 2006
(GOV/2007/16 and Supplement)

153. The CHAIRMAN, drawing attention to the draft Technical Cooperation Report for 2006, recalled that it had been the subject of a briefing for Member States on 31 May 2007.

154. Ms. CETTO (Deputy Director General for Technical Cooperation), introducing the draft Technical Cooperation Report for 2006, said that Agency technical cooperation (originally called 'technical assistance') had started modestly 50 years previously. In 1960, the technical cooperation programme had consisted of only 28 projects in 16 Member States. Training, expertise and essential equipment were now being provided in an increasingly horizontal and sustainable manner through over 1000 national and regional projects all around the globe to Member States endeavouring to address development challenges through the safe use of nuclear technology.

155. Records had continued to be broken in the technical cooperation area. In financial terms, the technical cooperation programme for 2006, worth $139 million, had been almost 20% larger than that for 2005. There had been 10% more new resources in 2006 than in 2005, extrabudgetary resources accounting for over $22 million - an increase of almost 50%. Support had been provided to 115 countries and territories, and the number was increasing every year.

156. Contributions to the TCF had also increased substantially. At the end of 2006, the rate of attainment had been 93% — compared to the 90% rate set by the Board. As that rate had now been achieved, a further review of the rate of attainment mechanism should be carried out by Member States in cooperation with the Secretariat.

157. The issue of resources for technical cooperation was a recurring one, and the Secretariat recognized its importance. In General Conference resolution GC(50)/RES/12, the Secretariat had been requested "to explore means to ensure that resources for the Technical Cooperation Programme are

sufficient, assured and predictable". Preliminary analyses and discussions with some Member State representatives had highlighted the complexity of the issue and the many factors to be taken into account in arriving at an optimum solution. The Secretariat would examine the issue further with a view to presenting to the Board, in September 2007, a report on technical cooperation programme funding, including a historical account of approaches to the issue. The General Conference's request was particularly relevant given the challenges and opportunities associated with the United Nations 'one-house' reform and the approach of the 2009–2011 technical cooperation programme cycle, which were obliging the Secretariat to look at the broader financing picture and take a longer-term perspective.

158. Although partnerships with other United Nations organizations had been established in fields such as health, the environment and water resources management, there was still much to be achieved, and the Secretariat therefore welcomed the United Nations initiative aimed at the coherent delivery of technical assistance at the country level as an opportunity for strengthened partnership with other organizations in the United Nations system. However, country-level funding should not be allowed to negatively affect the Agency's country programmes or hamper the efforts to ensure that resources for Agency technical cooperation were sufficient, assured and predictable. It was essential that the programmes of the Agency continue contributing to the attainment of the goals in all areas of its mandate, including the promotion of nuclear technologies for development, and it was accordingly also essential to ensure that the TCF continued to receive resources from Member States.

159. The exceptionally high level of extrabudgetary resources in 2006 was a source of satisfaction. However, much still had to be done in mobilizing funds to support applications of nuclear science and technology in activities related to the Millennium Development Goals, particularly in the areas of human health, environmental management and food security. Almost half of the extrabudgetary resources had been provided by recipient Member States through cost-sharing arrangements, while most of the remainder had been provided by a single donor and earmarked for safety and security activities. The Secretariat needed to expand its base of third-party contributors of extrabudgetary resources through closer collaboration with national authorities having the contacts necessary at country level for advancing projects. In that connection, it might be noted that the PACT Programme Office was continuing to work on the development of strategies for attracting significant donations in support of cancer control. The PACT website now enabled private donors to use PayPal to make contributions.

160. Her department was introducing a more systematic approach to programme quality, with the focus on the relevance, ownership, results and sustainability of projects. In response to recommendations made by the External Auditor, it would develop performance indicators that took account not only of the financial aspects of projects but also of the extent to which the project benefits had reached the intended beneficiaries and had continued after project completion.

161. With regard to the question of how the due account mechanism was applied in the case of suppliers, she recalled that the purpose of the mechanism was to encourage Member States to pay their full TCF target shares — to be 'good payers'. When applying the mechanism in its procurement operations, the Secretariat had to act in accordance with the Financial Regulations and Financial Rules of the Agency, which required international competitive bidding. In addition, the Secretariat had to ensure that application of the due account mechanism in the case of suppliers did not occur to the detriment of the country where the project in question was being implemented. Moreover, since Member States which had country programmes of technical cooperation with the Agency and which were 'poor payers' had already had their country programmes reduced, application of the due account mechanism to them also as suppliers would mean penalizing them twice.

162. Human health had continued to be the largest area of Agency technical cooperation as a whole, with particularly strong growth in Africa, Europe and Latin America. The focus had been on combating infectious diseases such as tuberculosis and malaria, developing integrated programmes for cancer diagnosis and therapy, fighting malnutrition and strengthening capacity in nuclear medicine.

163. The second largest area of Agency technical cooperation as a whole — the largest in Europe — had been nuclear science, with particular emphasis on the decommissioning of research reactors, the conversion of research reactors to LEU fuel and the repatriation of fresh and irradiated HEU fuel, tasks carried out mainly in Europe and supported by extrabudgetary contributions.

164. Food and agriculture had remained the second largest area as far as the other three regions were concerned — in Africa it had accounted for almost a quarter of the technical assistance provided. The focus had been on developing crops resistant to adverse growing conditions, increasing agricultural productivity and the export of fruit and vegetables to high-value markets, improving nutritional standards, raising the incomes of farmers, promoting animal health, and increasing livestock productivity.

165. Safety continued to be a major area of effort in all four regions, with a strong focus on helping Member States to develop sustainable radiation protection infrastructures.

166. With regard to programme implementation, the numbers of lecturers being made available, of meeting participants and of fellows placed had continued to rise, but the Secretariat had still encountered obstacles with — for example — the provision of specialized equipment. The External Auditor had pointed out that coordinating technical cooperation projects of the Agency with projects of other United Nations system organizations and with bilateral projects required greater effort. Systematic analysis through — inter alia — monitoring the implementation of the technical cooperation programme during Phase III of the PCMF would facilitate identification of the most significant obstacles and the development of solutions, many of which would require coordination between the Secretariat and Member States.

167. Some countries had continued to experience difficulties with the payment of NPCs. As of the end of March, 34 countries had not paid the minimum amounts due from them, which had meant that implementation of the new projects approved for them could not yet start. Since then, 23 of those countries had made the minimum payments required. The fact that 11 countries were still in arrears meant that projects budgeted at almost $2.6 million were still not operational, which was having a negative impact on programme implementation as a whole. The Secretariat would keep the Board informed of developments regarding the payments of NPCs.

168. As of the end of May, 102 CPFs had either been signed or were near finalization. A CPF, representing an agreement between the Agency and a Member State on national programme priorities, provided the foundation for coherent programme planning, and the Secretariat stood ready to support Member States in developing or reviewing CPFs, and it counted on the full support of Member States in return.

169. The PCMF was facilitating on-line, transparent interaction between the Secretariat, Member State governments and proposed counterparts, but the Secretariat was mindful of the fact that it could not replace personal communication. It was refining the PCMF in the light of its own experience and of feedback from other users. As planned, the next step in the implementation of the PCMF would be the monitoring and reporting of project results.

170. With regard to technical cooperation activities in the Islamic republic of Iran, the Secretariat was following the guidance provided by the Board. After the Board had, on 8 March 2007, concurred with its understanding of the actions required of the Agency by Member States in respect of

cooperation with Iran as set forth in paragraphs 10–13 of document GOV/2007/7 (Cooperation between the Islamic Republic of Iran and the Agency in the light of United Nations Security Council resolution 1737 (2006))[2], the Secretariat had established procedures for ensuring that no Agency technical assistance contributed to Iran's proliferation-sensitive activities as specified in Security Council resolution 1737 (2006) and that the Agency's technical assistance to Iran was provided only in accordance with the Board-approved conclusions of the Secretariat evaluation contained in the Annex to document GOV/2007/7.

171. Over the past 50 years, the Agency's technical cooperation programmes had undoubtedly made invaluable contributions to the quality of life in and the sustainable development of Member States all around the world. As the needs and capacities of Member States had evolved, so had a partnership of interests, priorities and responsibilities based on the sharing of nuclear science and technology to promote human and socio-economic development. The Secretariat would continue to increase the contributions of the Agency's technical cooperation programme to sustainable development by expanding such partnerships. To that end, use of Member States' resources would be increased in a horizontal way to maximize the benefits of the programme, focusing on areas where Member States required support in order to meet new challenges.

172. Mr. ELDIN ELAMIN (Sudan)*, speaking on behalf of the Group of 77 and China, expressed satisfaction that the Secretariat had concentrated on building partnerships with national, regional and international development organizations in line with the Agency's Technical Cooperation Strategy.

173. With regard to section A.2.3 of the draft Technical Cooperation Report, he said that a "one-UN" approach to the development, financing and delivery of country programmes by all organizations in the United Nations system might have a negative impact on the Agency's technical cooperation programmes. It was important that the volume and specificity of those programmes not be affected. Any steps envisaged for implementing the recommendations of the High-level Panel on United Nations System-wide Coherence should be discussed thoroughly with Member States.

174. The Group attached great importance to Agency technical cooperation as the main statutory vehicle for transferring nuclear technology to developing countries in support of their socio-economic development.

175. The Group welcomed the efforts of the Secretariat in incorporating a gender perspective into technical cooperation for development and establishing an Agency-wide policy on gender.

176. The Group was pleased that three of the four agreed performance indicators had been met or exceeded, but it was concerned about the fact that the concept of 'sustainability' had been narrowly interpreted, with the focus solely on revenue generation as a measure of performance. In its view, equal attention should be paid to all aspects of sustainability — namely, the economic, the social, the technological, the institutional and the environmental.

177. The Agency should step up its efforts to overcome the obstacles hampering technical cooperation implementation, particularly those connected with the supply of specialized equipment.

178. The Group was pleased that the level of extrabudgetary contributions had reached a new high in 2006, but it was still concerned about the imposition of restrictive conditions regarding the use of such contributions. Immediate action should be taken pursuant to the relevant recommendations of the External Auditor.

[2] See document GOV/OR.1181, paras 40 and 41.

179. The Group welcomed the achievement of a 93% rate of attainment by the end of 2006 and was looking forward to the results of the forthcoming review of the rate of attainment mechanism. In that connection, it should be recalled that the objective of the mechanism was the achievement of a 100% rate of attainment.

180. In resolution GC(50)/RES/12, the General Conference had requested the Secretariat "to explore all means to ensure that resources for the Technical Cooperation Programme are sufficient, assured and predictable, and to report to the Board of Governors on its findings". In the Group's opinion, the response of the Secretariat to that request should have been one of the main elements of the draft Technical Cooperation Report. Had the exploratory work not yet commenced? The Secretariat should prepare a report analysing the past attempts to ensure that the resources for Agency technical cooperation were sufficient, assured and predictable and the issues associated with technical cooperation funding — including the issue of funding from the Regular Budget. The question of technical cooperation funding should be placed on the provisional agenda for the Board session in September.

181. The Group, which believed that the due account mechanism should be applied uniformly to all Member States, would like to receive information on how it was applied in the procurement area. Information in the Supplement to the draft Technical Cooperation Report indicated that the mechanism had not been applied properly in some cases. In future, the Secretariat should provide data on the application of the mechanism during the year under review.

182. The staff of the Department of Technical Cooperation were to be commended on the fact that, despite their increasing workload, the implementation rate for 2006 had been 75.2%. However, the Group would like to see the calculation of the implementation rate based also on the approved core programme. Also, the Group was of the view that additional factors should be taken into account in the calculation of the implementation rate.

183. The Group had noted, from paragraph 22 of the draft Technical Cooperation Report, that ten EU Member States had stated that they intended to become net contributors in support of the Agency's technical cooperation programmes. It hoped that, as a result of their becoming net contributors, more resources would become available for projects in LDCs.

184. Mr. HIGUERAS RAMOS (Peru)*, speaking on behalf of GRULAC, said that, with the increase in the number of Member States and in their technical cooperation needs, it was important to ensure that the funding for technical cooperation activities was sufficient, assured and predictable.

185. In the Latin American and Caribbean region, 14 Member States had made in-kind contributions in support of Agency technical cooperation in 2006, and GRULAC was looking forward to the results of the Secretariat's examination of different ways of valuing such contributions.

186. One of the main reasons for the very welcome increase in extrabudgetary resources in 2006 had been the growth in government cost-sharing funds. Seven countries in the Latin American and Caribbean region had contributed to the 2006 technical cooperation programme through cost-sharing arrangements.

187. Although GRULAC welcomed the increase in the resources for Agency technical cooperation, it remained concerned about their uncertainty and about the fact that they were not sufficient to meet the growing demands of Member States. Every possible effort should be made to achieve further resource increases, given the impact of Agency technical cooperation on the development of States and the statutory nature of the promotion of nuclear technology transfer for peaceful purposes.

188. With regard to the payment of NPCs, because of their administrative and financial timetables some countries were finding it impossible to make the required 2.5% payments within the first few

months of the year to which they related. The NPC mechanism should therefore be implemented in a flexible manner in order to avoid delaying the start of technical cooperation projects. The approved arrangements described in document GOV/2004/46, whereby the NPC balance could be paid, on the basis of actual disbursements, on project completion, did not preclude the payment by a State of the full NPC amount (5% of the core funding of the project) during project implementation should it so wish.

189. GRULAC, which welcomed the PCMF, would like to see it continuously enhanced in the light of the Secretariat's experience with it and of feedback from other users. GRULAC endorsed the request made through ARCAL for training in the use of the PCMF to be provided to national authorities.

190. With regard to Section A.3 of the draft Technical Cooperation Report, entitled "Strengthening the Capacity of Institutions Using Nuclear Technology to Become Self-Reliant", GRULAC attached great importance to the efforts under way in Latin America to increase the use being made of the 35 ARCAL Designated Centres.

191. GRULAC also attached great importance to the Strategic Alliance established between the Agency and ARCAL in 2005 and to the Regional Strategic Profile for Latin America and the Caribbean that was being prepared with the help of Spain and France. As indicated during the May 2007 session of the Programme and Budget Committee, the Regional Strategic Profile would be drawn upon in the formulation of regional projects, and GRULAC therefore hoped that the Secretariat would be flexible with regard to the timetable for the submission of regional project concepts for the 2009–2011 technical cooperation cycle and to the process of evaluation and approval.

192. GRULAC was grateful to the Agency for its support in connection with the VIIIth ordinary meeting of the ARCAL Technical Coordination Board (OCTA) and to the Government of the Bolivarian Republic of Venezuela for hosting that meeting, at which OCTA had given its approval to the Regional Strategic Profile. A further OCTA meeting would be necessary for the selection of regional project concepts for submission to the Agency, and GRULAC hoped that the Agency would provide support in connection with that meeting as well.

193. Preparation of the Regional Strategic Profile for Latin America and the Caribbean was an exercise from which Member States in the other regions stood to learn a great deal.

194. Latin America and the Caribbean continued to be the region receiving the least technical cooperation resources. There had been an improvement in 2006 relative to 2005, and GRULAC could but hope that further efforts would be made to rectify the situation.

195. GRULAC welcomed the ratification by Bolivia and Brazil of ARCAL, and the signing by Belize and Honduras of the Revised Supplementary Agreement Concerning the Provision of Technical Assistance by the IAEA.

196. It also welcomed the issuing of document INFCIRC/686, entitled "The ARCAL Programme — Over Two Decades of Cooperation in Science and Technology". That document contained — inter alia — a detailed list of all ARCAL projects initiated during the period 1983–2004.

The meeting rose at 6.05 p.m.