

IAEA Board of Governors

Record of the 1185th Meeting
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Nuclear verification: (a) The Safeguards Implementation Report for 2006

Board of Governors

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Record of the 1185th Meeting

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Contents

Item of the agenda ¹	Paragraphs
4 Technical Cooperation Report for 2006 (<i>continued</i>)	1–66
6 Nuclear verification	
(a) The Safeguards Implementation Report for 2006	67–112

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)
Mr. CURIA	_____	Argentina
Mr. SHANNON		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
Mr. ARÉVALO YÉPES	}	Colombia
Ms. QUINTERO CORREA		
Mr. PRAH		Croatia
Ms. GOICOCHEA ESTENOZ		Cuba
Mr. RAMZY		Egypt
Mr. KEBEDE		Ethiopia
Ms. KAUPPI		Finland
Mr. CARON		France
Mr. GOTTWALD	}	Germany
Mr. SANDTNER		
Mr. CRICOS		Greece
Mr. SHARMA		India
Mr. HISWARA		Indonesia
Mr. AMANO		Japan
Mr. KIM Sung-Hwan		Korea, Republic of
Mr. EL-WAFI		Libyan Arab Jamahiriya
Mr. ELOUMNI		Morocco
Mr. OSAISAI		Nigeria
Ms. VIKØY		Norway
Mr. MUNIM AWAIS		Pakistan
Mr. BERDENNIKOV	}	Russian Federation
Mr. KUCHINOV		
Mr. GRILICAREV		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. ANING	Secretary of the Board

Representatives of the following Member States also attended the meeting:

Afghanistan, Algeria, Angola, Armenia, Belgium, Bosnia and Herzegovina, Cyprus, Czech Republic, Denmark, Ecuador, Estonia, Holy See, Islamic Republic of Iran, Ireland, Israel, Italy, Jordan, Kazakhstan, Kuwait, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Montenegro, Namibia, Netherlands, New Zealand, Panama, Peru, Poland, Romania, Serbia, Slovakia, Spain, Sudan, Switzerland, Tunisia, Turkey, Ukraine, Bolivarian Republic of Venezuela, Zimbabwe.

Abbreviations used in this record:

AFRA	African Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology
APCs	assessed programme costs
ARCAL	Cooperation Agreement for the Promotion of Nuclear Science and Technology in Latin America and the Caribbean
CPF	Country Programme Framework
GRULAC	Latin American and Caribbean Group
GUAM	Georgia, Ukraine, Azerbaijan, Moldova
LDC	least developed country
NAM	Non-Aligned Movement
NEPAD	New Partnership for Africa's Development
NPCs	national participation costs
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NUTRAN	Nuclear Trade Analysis Unit
PCMF	Programme Cycle Management Framework
QUATRO	Quality Assurance Team for Radiation Oncology
SAGSI	Standing Advisory Group on Safeguards Implementation
SAL	Safeguards Analytical Laboratory

Abbreviations used in this record (continued):

SIR	Safeguards Implementation Report
SQP	small quantities protocol
SSAC	State system of accounting for and control of nuclear material
TCF	Technical Cooperation Fund
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean

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

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

1. Mr. GR LICAREV (Slovenia) said that the draft Technical Cooperation Report for 2006 addressed all important technical cooperation issues, from general aspects such as strengthening the Agency's technical cooperation activities to specific reviews of individual programme accomplishments in 2006.
2. Slovenia welcomed the upward trends in technical cooperation programme resources and delivery in 2006. The record high reached in new contributions to the TCF and the achievement of the highest ever rate of attainment were positive developments.
3. There was, however, more to be achieved in terms of cooperation. Payment in full and on time was of paramount importance for the success of project implementation, and also demonstrated the commitment of Member States. Notably, the NPC mechanism introduced under the 2005–2006 technical cooperation programme had been successful in that cycle, and he expressed the hope that the negative trend in 2007 indicated in the Report would become positive. His country still considered the mechanism a useful tool which stimulated Member States to pay their share and to give projects appropriate consideration.
4. Slovenia had paid its contribution to the TCF in full and on time and was prepared to continue to do so. It was also among those countries which were on the way to becoming net donor States. It was interested in cooperating in regional projects and partnerships, and intended to make in-kind contributions to them. An example was the Vinča Institute nuclear decommissioning project to which Slovenia had contributed in 2006.
5. His delegation attached great importance to nuclear knowledge management, which also included the transfer of existing nuclear technology knowledge to new generations of young engineers and scientists. For that reason, it welcomed the successful work of the World Nuclear University, whose Summer Institute contributed to the establishment of international networks of young experts.
6. Mr. MINTY (South Africa) said that his country warmly welcomed the record high of US \$101 million in new resources for the technical cooperation programme in 2006 and the 75.2% implementation rate.
7. Noting with appreciation that the programme contributed to five of the eight Millennium Development Goals, he said that South Africa recognized the need to strengthen and even expand the programme for the benefit of the least developed countries. It was gratifying that 94% of Africa's proposed technical cooperation projects had been adopted for the 2007-2008 cycle. Most of the Agency-supported projects and initiatives carried out in Africa in 2006 were directly relevant and had substantial linkages with NEPAD, which had established an advisory body to provide guidance on how science and technology could be used to catalyse economic transformation and sustainable development. South Africa welcomed that cooperation and encouraged the Agency to work closely with NEPAD and other partners in development.
8. South Africa was seriously concerned that one of the Millennium Development Goals, to "promote gender equality and empower women", was not reflected in the technical cooperation programme, even though that programme was described in paragraph 15 of the Report as "a pilot entry point" for gender mainstreaming. That Goal related to all areas of the Agency's work, and should

therefore be included in the list in paragraph 12. The statistics given in Fig. 1 on page 5 of the Report were startling and would be considered a disgrace by many. The proportion of women amongst experts and trainees was not more than one fifth on average and only one tenth in the North America region. Women trainees must be fast-tracked through additional and accelerated training and specific transformation programmes. In all development areas, women played a critical role and were the real victims. They were therefore also likely to be the major and better agents for change and would make a greater positive impact all round. The responsibility lay not only with the Agency but also with its partners and member governments. There should be no policy constraints since that area had priority elsewhere, too, for example in the African Union and NEPAD. No sustainable development programmes could work without the direct involvement of women. There was no need to adopt new policies, the existing commitments must simply be implemented. The Report provided figures showing the huge deficit in the technical cooperation area, but high priority must be given to improving the statistics across all sectors of the Agency. A monitoring mechanism was needed, perhaps even an audit function. South Africa suggested that the External Auditor include such information in the regular statistics because it was of vital national and global importance. Gender equality must not be taken lightly, for it had serious implications.

9. Noting the concerns that had been expressed about certain regions not receiving as much technical cooperation as Africa, he said that technical cooperation should be allocated according to the needs of developing countries and Africa was the most marginalized continent. In any case, priority should be given to the less developed countries in particular regions.

10. South Africa, being involved in a large number of the 34 active AFRA projects, had accepted the third extension of AFRA and welcomed the plans adopted at the 2006 AFRA technical working group meeting to integrate AFRA activities into the action plan of NEPAD.

11. Having signed its own CPF for 2005–2010 the preceding year, South Africa also welcomed the CPFs concluded in 2006 by Mauritius and Botswana.

12. In order to ensure the full implementation of the Agency's technical cooperation projects for the benefit of developing countries, in particular LDCs, and to enable the Agency to fulfil its statutory mandate to "seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world", South Africa again stressed the need for the funding of the Agency's technical cooperation programme to be sufficient, assured and predictable and recalled General Conference resolution GC(50)/RES/12 requesting the Agency to consider establishing a mechanism for ensuring that.

13. Finally, he suggested that Board members should have an opportunity towards the end of each session to exchange comments and reflect on the proposals of other delegations. Such interactive communication could assist the work of the Board and the Agency.

14. Mr. HERASYMENKO (Ukraine)*, speaking on behalf of the GUAM countries, said that the period under review marked considerable improvements to the technical cooperation programme. It featured more than 780 projects in 115 Member States. New resources of over \$100 million represented a record high for new financial inputs into the programme, including the TCF, extrabudgetary pledges and in-kind contributions. Bearing in mind that the programme contributed to five of the eight Millennium Development Goals, the GUAM countries noted with satisfaction that net new obligations during the preceding year had represented an increase of more than 30% over 2005. In general, the Technical Cooperation Report for 2006 showed that the programme had met or frequently exceeded performance indicators in the areas of expert meetings, establishing strategic partnerships, mobilizing financial resources and promoting the sustainability of results. He welcomed the fact that

human health, nuclear knowledge preservation and radioactive waste management had been chosen as the major priorities for Europe.

15. In Moldova, the Agency's efforts had produced excellent results in the development of legislation for quality assurance and quality control of diagnostic equipment, staff training and the upgrading of three nuclear medicine centres.

16. In Georgia, the Agency had contributed to upgrading the national cancer centre, improving security levels for temporary storage and strengthening the nuclear and radiation safety infrastructure.

17. The GUAM countries welcomed the QUATRO audit missions introduced by the Agency in 2005 to conduct peer reviews of radiotherapy and cancer treatment programmes. The missions' recommendations were greatly valued by Member States which reported back to the Agency on their implementation. In the 2007–2008 biennium, GUAM would implement new regional projects exclusively dedicated to QUATRO activities in response to Member States' needs.

18. During 2006, the Agency had continued to promote the self-reliance and sustainability of national nuclear institutions. The very significant efforts made had helped such institutions to improve their management practices and increased their capacity to generate revenues, as well as heightening awareness of the challenges facing the institutions. For the first time, representatives of the GUAM countries had been able to participate in a training course on basic business skills for managers and senior scientists of national nuclear institutions.

19. Significant progress had also been made in enhancing national capacities for the proper management of radioactive waste, to which the Agency had made one of the largest allocations of funds in Europe. In particular, some safety criteria and guidelines for radioactive waste management had been developed with practical participation and input from experts from the GUAM countries.

20. As mentioned in the Report, a number of Agency Member States had expressed their interest in the development of nuclear power. That was undoubtedly the result of growing global energy demand, increased emphasis on energy security and a heightened awareness of the risks of climate change. He noted with satisfaction that in response to the projected increase in nuclear power, the Agency had prepared a number of national and regional projects in conjunction with Member States. Those projects focused on enhancing national regulatory infrastructures for nuclear safety and capabilities for safety assessment and for the planning and development of nuclear power programmes. Those Agency activities were of special interest to the GUAM Member States and those countries planning further use and development of nuclear power.

21. The GUAM countries strongly supported such activities as building human resources for nuclear technology and preserving nuclear knowledge, which they continued to consider important parts of the technical cooperation programme.

22. They also welcomed the application of the PCMF by the Secretariat in 2006 to develop and finalize the technical cooperation programme for the 2007–2008 biennium in close collaboration with national authorities.

23. The GUAM countries were prepared to continue cooperating within the framework of the Agency and beyond to promote the safe and secure application of nuclear energy throughout the world.

24. Ms. GOICOCHEA ESTENOZ (Cuba) said that her country did not agree with the proposals made by some to monitor the implementation of the Agency's technical cooperation with Iran. Reporting on procedures and participation was tantamount to interference in and micromanagement of the Secretariat's affairs which was excessive, unnecessary and went beyond the letter of United

Nations Security Council resolution 1737 (2006). Cuba trusted that the Director General and the Secretariat would act appropriately.

25. Cuba supported three points made by South Africa: it agreed that maintaining gender balance was important; it supported considering a mechanism for ensuring sufficient, assured and predictable funding for the technical cooperation programme pursuant to resolution GC(50)/RES/12; and it thought the idea of providing a possibility for Board members to exchange opinions on the points made during the debate was worth considering.

26. Mr. MOREJÓN-ALMEIDA (Ecuador)* said that technical cooperation in the nuclear field was of great importance to Ecuador and many other developing countries in achieving sustainable development and ensuring the access of their peoples to the benefits of the peaceful applications of nuclear technology. It was therefore essential to maintain a healthy balance between cooperation and the Agency's other statutory activities and to strive for a more ambitious cooperation programme in terms of financing.

27. The fact that new resources available under the technical cooperation programme had reached \$101 million was undoubtedly encouraging. In that regard, he highlighted the efforts of Ecuador to pay on time and in full not only its contributions to the TCF but also its APCs. Moreover, its major extrabudgetary contributions demonstrated the importance it attached to technical cooperation. Ecuador appreciated the professional and efficient work of the Department of Technical Cooperation in the previous two years aimed at attaining a high implementation rate.

28. The extensive scale of the technical cooperation programme reflected the relevance and broad contribution of the Agency worldwide to achieving human wellbeing and the fulfilment of five of the eight Millennium Development Goals. However, the growth of the programme and the number of countries receiving cooperation also reflected the need to increase financial support for the programme.

29. In view of the ever-increasing demand for nuclear technology applications in areas such as human health, agriculture, electricity generation, water resource management and the environment, and the resulting increase in the number of States requiring technical assistance to ensure the safe use of those applications, greater financial commitment was needed on the part of all Member States, which, to the extent possible within their economic resources, should contribute in a predictable and sustained manner to the TCF.

30. Ecuador had benefited from a number of Agency professional training programmes in various fields, which was a very important form of technology transfer, and encouraged the continuation of such assistance. Technical cooperation played an important part in promoting research, development and training in nuclear science and technology, and Ecuador appreciated the key role of ARCAL in that regard. It looked forward to the future expansion of regional cooperation and encouraged potential parties to ARCAL and donor countries to support its implementation.

31. He expressed his gratitude to the Agency for the support it had provided in the preparation of the Regional Strategic Profile for Latin America and the Caribbean for 2007-2013 and extended his thanks to the Governments of Spain and France for their important assistance in that process.

32. While Ecuador appreciated the quantitative increase in overall assistance provided in 2006 as compared with 2005, it hoped that the level of cooperation received by the Latin American and Caribbean region in 2006 would be increased, since it was at present the lowest as compared with other regions.

33. Mr. MICHAELI (Israel)* said that the comments made about his country by Egypt at the previous meeting were inaccurate and undiplomatic. Much of Israel's contribution to technical

cooperation was in kind. It might not be reflected in the balance, but Israel shared with others the outcomes of its technical cooperation projects and much more. The history of discrimination against his country in the technical cooperation domain had only been corrected significantly in recent years, although some regional States still tried to hamper that process. He invited Egypt to join those countries that chose to benefit from his country's in-kind contributions instead of wasting energy on attempts to limit Israel's involvement and contribution.

34. Mr. LUNDBORG (Sweden) expressed support for South Africa's proposal to provide a possibility for delegations to exchange views within Board meetings, which would lead to a more dynamic debate and help to develop the Agency's governing system.

35. With regard to the distribution of technical cooperation resources, Sweden was of the view that the needs of countries should be the guiding principle.

36. There were various important proposals and visions for an integrated United Nations system, but it was difficult to coordinate the entire system to work together. He asked what support the technical cooperation programme received from the rest of the United Nations system, for example UNDP, and what kind of cooperation existed with the Bretton Woods system.

37. The CHAIRMAN, responding to the proposal by South Africa regarding opportunities for exchanges of views within Board meetings, said that it was a valuable suggestion that had been noted by the Secretariat, but to give any definite answer would be premature. He pointed out that the floor remained open for comments on each agenda item as long as there were still speakers. In addition, the agenda always contained the item "Any other business", which was a further opportunity for reflection.

38. Ms. CETTO (Deputy Director General for Technical Cooperation) thanked Governors for their critical comments and suggestions, which would help to improve the Technical Cooperation Report.

39. She agreed that sustainability should not be understood in the restricted financial sense, as was made clear in the opening sentence to paragraph 59 of the Report. There was a need to look for additional performance indicators, other than revenue generation, to complete the picture.

40. As to the application of due account in procurement from Member States, the Secretariat would try to provide a clearer explanation in the Report. The application of due account to procurement had to be done in accordance with the Agency's financial rules and regulations and the country where the project was being carried out should not be penalized. Reference could also be made to the specific difficulties involved in the procurement of specialized equipment, as had been highlighted by the representatives of Cuba, Egypt, Syria and other Member States.

41. With regard to the restrictions on the shipment of radioactive material, which also had an impact on technical cooperation implementation, she drew attention to the International Steering Committee that had been set up by the Agency to address the problem, as communicated to the Board in the Mid-Term Progress Report for 2006–2007². The Secretariat had also taken note of the suggestion to add to future reports a section on obstacles to implementation and lessons learned. In the meantime, it would continue working on the definition and introduction of implementation indicators, including non-financial ones.

42. On the funding of the TCF and the corresponding General Conference resolution, the Secretariat would continue the analysis initiated in preparation of its report to the September Board. In that regard she noted with interest the initiative from Norway to hold informal consultations on the TCF target

² GOV/INF/2007/3, para. 46.

and related issues, and the comments from Morocco on the need to establish a working group to address the funding issue. The Secretariat stood ready to provide the members of the Board with the necessary support for their efforts.

43. Several statements had been made about the distribution of TCF resources by country and by region. A continued effort was being made to shift resources gradually towards the LDCs. In addition, Member States that were more technologically and economically developed were expected to continue increasing their contribution to the programme in favour of those Member States that were less technologically and economically developed and in more need of technical cooperation. The Secretariat counted on the understanding and support of all Member States to continue that trend.

44. She appreciated the statement made by South Africa on the critical role played by women in development areas, which had been supported by a number of delegations. Achieving gender equality should indeed be included among the activities related to achieving the Millennium Development Goals, and indicators must be developed to measure progress in that area.

45. Regarding the comments on the United Nations reform initiative and the “delivering as one” approach, the Secretariat would share information and engage in dialogue thereon to make sure that the reform brought advantages to Member States. A number of challenges needed to be addressed relating to country representation, joint programming and funding. In response to the question from Sweden about support from the rest of the United Nations system, she said there was a lot of room for improvement.

46. It was extremely reassuring that Member States felt that technical cooperation was moving in the right direction. Members had also warned against complacency and noted that there was always room for improvement. The good records, such as the highest TCF figure ever and the 75% global implementation rate, had been a joint achievement of Member States and the Secretariat on which she would like to congratulate Member States in return for the compliments they had paid the Secretariat. However, to maintain and improve such high records would be a challenge that had to be met together. The only way to make the technical cooperation programme grow was by working together and growing together.

47. In response to Morocco’s request that the Secretariat undertake an evaluation of the technical cooperation programme focusing on nuclear technology transfer, she said that the proposal was under consideration and the Secretariat was trying to include it in its work plan. A fair evaluation would be very time-consuming and depended on the workforce available. She said that a special exhibition was being prepared for the 2007 session of the General Conference, showing technical cooperation achievements with tangible results. Although no substitute for an evaluation, that was an effective way of showing what could be accomplished with technical cooperation.

48. Mr. RAMZY (Egypt), referring to his earlier question about due account, said that he had heard Israel’s response, but would take an answer only from Ms. Cetto, which he expected would be provided in due course. It was not the time or the place to descend into polemics with Israel. Egypt did not avail itself of Israeli cooperation in the nuclear field because it did not cooperate with countries that had questionable nuclear programmes. He hoped the two countries could work together constructively to create a nuclear-weapon-free zone, where cooperation was an important element.

49. The CHAIRMAN, summing up the discussion, said that the Board had commended the Secretariat for the quality of the Technical Cooperation Report. Appreciation had been expressed for the Agency’s efforts to strengthen technical cooperation activities in a wide range of areas, such as food and agriculture, human health, water resources management, the environment, knowledge management, the sterile insect technique and nuclear security.

50. The Board had reiterated its support for the Secretariat's efforts in building partnerships with international and regional development organizations, as well as with States and relevant intergovernmental and non-governmental bodies. It had encouraged further partnership building in order to contribute to wider regional and international development goals and efforts. Several members had stressed the importance of the Agency's contribution to fulfilling the Millennium Development Goals and its role as an important partner for development.

51. Several members had noted that technical cooperation activities were an integral component of the Agency's mandate under its Statute, a means for technology transfer and an efficient tool for accelerating sustainable development. They had stressed that balance should be maintained among the three pillars of the Agency. Some members had emphasized the importance of CPFs. The importance of the systematic evaluation of the Agency's technical cooperation activities and benefiting from lessons learned had been emphasized and further improvements in that regard had been encouraged.

52. Several members had emphasized the importance of the concept of technical cooperation among developing countries and encouraged the Secretariat to continue its assistance in establishing regional cooperative agreements.

53. Several members had expressed the view that a unified United Nations approach for development might have implications for the delivery of the Agency's technical cooperation programme and had requested further information from the Secretariat in that regard.

54. A request had been made that the Secretariat provide the Board with more details on the procedures for implementation of Security Council resolution 1737 (2006) regarding Agency assistance to Iran. A view had been expressed that attempts to micromanage the Secretariat's work in implementing technical cooperation, including technical cooperation with Iran, were unacceptable.

55. Several members had welcomed the overall improvement in delivery and in the implementation rate of the technical cooperation programme. They had noted that the programme had met or surpassed several of the performance indicators.

56. Some members had expressed support for the Agency's efforts towards achieving self-reliance and sustainability in Member States through its technical cooperation activities. Several other members had expressed the view that the Agency should put equal emphasis on all aspects of the concept of sustainability and double its efforts to overcome any problems hampering implementation of technical cooperation activities, including the supply of specialized equipment.

57. The higher level of resources for the TCF in 2006 compared with the 2005 level had been commended. Several members had noted with appreciation that the rate of attainment had reached 93% by the end of 2006. They had also recalled that the objective of the rate of attainment mechanism was to reach 100% of the target and therefore looked forward to the review of the mechanism. However, concern had been expressed at the unpredictability of resources and the adverse impact that had on the planning of the technical cooperation programme. Regarding the due account mechanism, several members had requested more information on how it was applied in the area of procurement from all Member States. They had also requested the Secretariat to provide information in the future on the application of that mechanism during the year under review.

58. Several members had expressed the view that NPCs contributed to enhanced ownership of technical cooperation projects by recipient States. However, concern had also been expressed that several recipient countries had not yet paid their NPCs.

59. The Board had reiterated the need for adequate, predictable and assured funding for the Agency's technical cooperation activities and urged all Member States that had not yet done so to pay in full and on time their shares to the TCF, their NPCs and any APC arrears. Some members had

emphasized that the financing of technical cooperation activities should be in line with the concept of shared responsibility.

60. Several members had recalled General Conference resolution GC(50)/RES/12, which requested the Secretariat to explore all means to ensure that resources for the technical cooperation programme were sufficient, assured and predictable. They had expressed the view that a response to that request should have been considered by the Board during the current meetings and had requested the Secretariat to present a report on the issue for the September meetings of the Board. Some members had indicated that they would present proposals in that regard.

61. Some members had welcomed the growth in extrabudgetary resources for technical cooperation activities in 2006, which reflected the increasing support for such activities. They had also requested more flexibility in the use of those resources to improve the technical cooperation implementation rate.

62. Appreciation had been expressed for the Agency's continued efforts to achieve greater transparency and accountability and to ensure successful programme planning and delivery through consultation with concerned Member States.

63. Several members had expressed support for the Agency's continued efforts in incorporating a gender perspective into the technical cooperation programme and also for its efforts towards the establishment of an Agency-wide policy on gender.

64. A proposal had been made to provide, at the end of each session of the Board, an opportunity for an interactive exchange of views as a way of allowing members to reflect on the views expressed.

65. He assumed that the Board wished to take note of the Technical Cooperation Report for 2006 contained in document GOV/2007/16 and to request the Director General to transmit the Report, after any modifications considered necessary by the Board had been made, to the General Conference for its information and in response to the request contained in resolution GC(50)/RES/12.

66. It was so decided.

6. Nuclear verification

(a) The Safeguards Implementation Report for 2006 (GOV/2007/21)

67. The CHAIRMAN recalled that the Safeguards Implementation Report for 2006 had been the subject of an informal briefing on 31 May 2007 at which Member State representatives had had an opportunity to seek clarifications.

68. Mr. HIGUERAS RAMOS (Peru)*, speaking on behalf of GRULAC, welcomed the clear presentation of the SIR for 2006. GRULAC noted with satisfaction from the SIR that, in all the countries of the Latin American and Caribbean region without exception, the declared nuclear material had remained in peaceful activities, attesting to the region's commitment to non-proliferation. In that regard, he recalled that all countries in the region had acceded to the Tlatelolco Treaty, establishing the Latin American and Caribbean region as the first densely populated nuclear-weapon-free zone in the world.

69. Ms. GOICOCHEA ESTENOZ (Cuba), speaking on behalf of NAM, emphasized that the SIR should concentrate, in a balanced and non-discriminatory manner, on the implementation of safeguards in States under their respective safeguards agreements.

70. Considering that SSACs were fundamental for the effective and efficient implementation of safeguards, NAM welcomed the action taken by the Secretariat in 2006 to assist Member States in strengthening their SSACs and called on the Secretariat to continue its efforts in that area.

71. With regard to section C.3 of the SIR for 2006, she reiterated NAM's view that, in elaborating safeguards approaches, the Secretariat should consult with Member States in order to address their concerns and ensure the efficiency of safeguards activities.

72. Referring to the difficulties associated with the analysis of environmental samples, she said that NAM continued to believe that the Agency should help interested Member States, and particularly interested developing Member States, to develop environmental sample analysis capabilities of their own. That could lead to an expansion of the Network of Analytical Laboratories and thus to more efficient analysis.

73. In order to resolve the difficulty in recruiting suitably qualified staff for the analytical laboratories mentioned in paragraph 168 of the SIR, the Secretariat might provide specific training for experts from developing countries with a view to their possible recruitment.

74. The international community's efforts aimed at nuclear disarmament should be commensurate with those directed towards nuclear non-proliferation. In that regard, NAM recalled objective C.2 of the Medium-Term Strategy 2006-2011: to contribute as appropriate to effective verification of nuclear arms control and reduction agreements, including nuclear disarmament.

75. Mr. RAMZY (Egypt) expressed satisfaction at the conclusions reached in the SIR for 2006 regarding the absence of any diversion of declared nuclear material from peaceful nuclear activities in States with comprehensive safeguards agreements in force.

76. However, he wished to reiterate Egypt's concern at the serious shortcoming in the current NPT safeguards regime, namely the Agency's inability to apply comprehensive safeguards to those countries that had not acceded to the NPT. The efficiency of the safeguards regime depended on achieving universality of the NPT and the application of comprehensive safeguards to all nuclear facilities in all countries of the world.

77. Against that background, the Safeguards Statement should be drafted in a realistic and balanced manner reflecting the true global situation. It should note that the Agency had not been able to reach any conclusions concerning nuclear material and facilities not subject to safeguards in each of the three countries applying INFCIRC/66/Rev.2-type agreements, and in the five nuclear-weapon States with voluntary-offer agreements.

78. There had been a number of calls to make comprehensive safeguards agreements and additional protocols the current verification standard. However, the additional protocol was an additional, voluntary instrument, and the decision to accede to it was a matter for each country in accordance with an assessment of its interests and commitments.

79. Turning to the financial aspects, he said the Secretariat should provide clarification of the cost structure and expenditure relating to the application of safeguards in previous years with a view to studying how expenditure could be further rationalized. At present, there was a danger that the percentage of expenditure directed towards safeguards-related activities would rise in view of the expansion of the number of new nuclear facilities. As a result, developing countries could face continuing financial pressures.

80. Lastly, he emphasized the need to maintain a balance in the financial allocations for the Agency's various activities and to ensure that its statutory obligations were fulfilled in a manner that reflected the priorities of Member States.

81. Mr. OTHMAN (Syrian Arab Republic) expressed support for the Agency's safeguards activities, which helped to build confidence among Member States and strengthen collective security. However, a distinction should be drawn between actions that were necessary, essential and mandatory, and those that were complementary, voluntary and non-binding. Additional protocols were an optional instrument, and States should not be forced into their implementation. Priority should be given to achieving universality of the NPT, and efforts to strengthen the safeguards system should not place an additional financial burden on States.

82. His delegation welcomed the establishment of a working group to identify the required profiles and core competencies of inspectors, and trusted that the requests made by Member States would be taken into account. A preliminary description of the profiles and competencies should be made available for study in Member States.

83. Mr. KIM Sung-Hwan (Republic of Korea) said that his country shared the Secretariat's view that the Agency would be fully able to detect undeclared nuclear material and activities only in those States that had a comprehensive safeguards agreement and additional protocol in force. Accordingly, he welcomed the Secretariat's efforts to encourage wider adherence to the additional protocol and hoped that those States that had not yet signed, ratified and implemented it, in particular those with significant nuclear activities, would do so as soon as possible.

84. His delegation noted with satisfaction that cost savings from the implementation of integrated safeguards were steadily growing, and it trusted that the Secretariat would make more systematic efforts to utilize fully the benefits of integrated safeguards. The Secretariat should provide more detailed information on the progress made in that regard.

85. Mr. SANDTNER (Germany), having welcomed the Safeguards Statement for 2006, suggested that the words "and it is reasonably assured of the absence of undeclared nuclear materials and activities" might be added at the end of paragraph 1(a).

86. In paragraph 14 of the SIR, it was explained that the Safeguards Criteria functioned as performance targets in cases where integrated safeguards had not yet been implemented. As the design and use of State-level approaches had become a common part of the safeguards system, he suggested that the second sentence of paragraph 14 be amended to read: "In those cases where integrated safeguards have not yet been implemented, the Safeguards Criteria, in view of the State-level approach, function as the performance targets".

87. Turning to the work of the Agency's Nuclear Trade Analysis Unit (NUTRAN), he welcomed the fact that, as indicated in paragraph 44, the Agency had implemented a mechanism to diversify the sources of safeguards-relevant data. A further increase in the number of States contributing data would undoubtedly enhance the effectiveness of NUTRAN's work.

88. Germany was pleased that training and the raising of staff awareness were seen as key issues in the quality management system of the Department of Safeguards; the transition from implementing comprehensive safeguards agreements alone to applying comprehensive safeguards agreements and additional protocols constituted a challenge not only to Member States, but also to Agency staff.

89. His country shared the concerns outlined in paragraphs 155 and 156 regarding the consequences of delays in the submission of additional protocol declarations, and encouraged all the States in question to enhance their efforts to ensure the timeliness of the declarations.

90. Germany strongly welcomed the decrease in the number of environmental samples and considered further reductions advisable in view of the significant delays still being experienced in the analysis of the samples in 2006. It welcomed the plans referred to in paragraph 169 to enhance the capability of the Seibersdorf laboratory.

91. Ms. QUINTERO CORREA (Colombia) said that her country attached importance to the Agency's verification work as one of the three pillars of its statutory activities. Colombia, for its part, was firmly committed to the NPT and the Tlatelolco Treaty. It was implementing a safeguards agreement with the Agency and supported multilateral initiatives to rid the world of the nuclear threat. In accordance with its policy of general and complete disarmament, it had also signed an additional protocol — an instrument that would significantly strengthen the Agency's verification system — and the internal procedures for ratification were in progress. Colombia was in favour of universalizing the NPT, safeguards agreements and additional protocols while at the same time making progress in the areas of disarmament, non-proliferation and expansion of the peaceful uses of nuclear energy.

92. She welcomed the conclusion that declared nuclear material in States with comprehensive safeguards agreements in force, including Colombia, had remained in peaceful uses. However, it was regrettable that, as of 31 December 2006, 31 non-nuclear-weapon States party to the NPT had not yet brought comprehensive safeguards agreements with the Agency into force as required by Article III of that Treaty.

93. Colombia hoped that the progress made in strengthening the efficiency and effectiveness of the safeguards system in 2006 would bring about the anticipated savings.

94. Regarding cooperation with State and regional systems of accounting for and control of nuclear material, she welcomed the training courses organized and the establishment of the Agency's SSAC Advisory Service.

95. Lastly, she drew attention to the work of NUTRAN in analysing available information on covert nuclear procurements and to the innovative mechanism implemented to diversify the sources of safeguards-relevant data. The issues considered by SAGSI in the two plenary meetings held in 2006 were also of interest.

96. Mr. KUCHINOV (Russian Federation) said that the increase in the number of States where the Secretariat had found no indication of the diversion of declared nuclear material from peaceful nuclear activities and no indication of undeclared nuclear material or activities was one of the most important achievements of the Agency's assiduous work to strengthen the safeguards system and increase its effectiveness and efficiency. In that regard, the Russian Federation continued to support the further strengthening of the Agency's verification role, including through the universal application of the additional protocol.

97. However, it was troubling that for 31 States party to the NPT, the Secretariat had not been able to draw any safeguards conclusions since those States had not yet brought comprehensive safeguards agreements into force. The Russian Federation called upon those States to fulfil their obligations under the NPT without delay.

98. The Secretariat's activities to develop safeguards approaches, procedures and technology were one of the key components enabling the Agency to implement its verification activities fully. The Russian Federation was actively cooperating with the Agency in that area, inter alia by participating in a Member State support programme. Indeed, the year 2007 marked the 25th anniversary of its participation in that programme.

99. The delay in the analysis of environmental samples was one of the most serious problems in the area of safeguards implementation. Despite ongoing work to provide the SAL with new equipment

and improve its infrastructure, sample processing time remained an area of weakness. Unless serious efforts were made, that situation was unlikely to improve, given that the number of sites inspected by the Agency was growing each year. In that connection, the Secretariat should consider formulating and submitting to the Board for its consideration a plan of concrete measures to resolve the problem.

100. The Russian Federation welcomed the tenth IAEA Symposium on International Safeguards, held in October 2006 as a forum for the broad exchange of opinions on current problems relating to verification and the search for possible ways and means of resolving those problems, and trusted that the practice of holding such symposia regularly would continue.

101. Mr. LIU Yongde (China) welcomed the positive results of the Agency's safeguards and verification activities in 2006 and thanked the Director General and the Secretariat for their diligent efforts in that regard.

102. It was encouraging that the Agency had been able to make progress in strengthening the effectiveness and efficiency of the safeguards system. Inter alia, the modification of the small quantities protocol constituted an enhancement of that system, and he expressed the hope that the Secretariat would be able to coordinate closely with all SQP States to carry out a review of their SQPs as soon as possible. On the other hand, progress in the conclusion and implementation of comprehensive safeguards agreements and additional protocols had fallen short of the target set, and he called on all States that had not yet done so, particularly those with significant nuclear activities, to sign, ratify and implement a comprehensive safeguards agreement and an additional protocol as soon as possible.

103. China had always opposed the proliferation of weapons of mass destruction. As a party to the NPT and one of the first countries where an additional protocol had entered into force, it had scrupulously complied with its non-proliferation obligations by furnishing timely reports to the Agency under its additional protocol. In addition, the Chinese Government had, on a voluntary basis, provided the Agency with information regarding exports of neptunium and americium. China intended, in conjunction with the international community, to continue to strengthen the Agency's safeguards system in order to contain the proliferation of nuclear weapons. In recent years, the Agency's safeguards verification tasks had become increasingly onerous, and therefore its verification technology needed to be upgraded. Lack of capacity to analyse environmental samples, or delay in such analysis, would be detrimental to the reaching of safeguards conclusions. China therefore supported the Agency in strengthening the safeguards system and enhancing its verification capability, and in support of that work had decided to join a Member State support programme and the Network of Analytical Laboratories.

104. Ms. GERVAIS-VIDRICAIRE (Canada) commended the efforts of the vast majority of Member States to meet their safeguards commitments. The positive conclusions provided by the Secretariat were the product of a high degree of cooperation with the Agency and high levels of transparency concerning the nuclear activities of the Member States to whom such conclusions applied. While most States were to be commended for their cooperation with the Agency, however, it was necessary to recognize that not all States had been cooperating to the extent required.

105. She noted with satisfaction that the SIR continued to evolve in both format and content, and welcomed the changes that had been made in the Report for 2006. It was particularly noteworthy that the Secretariat continued to highlight the different conclusions that were drawn for States under different safeguards obligations and the implementation and evaluation activities that were undertaken to achieve those conclusions. It was also very useful that the Secretariat identified the safeguards commitments undertaken by each Member State. Not only did that improve transparency, but it might also encourage States to undertake the most significant safeguards commitment by bringing both a

comprehensive safeguards agreement and an additional protocol into force, which would in turn provide the basis for the Secretariat to draw the broadest possible conclusion that all nuclear material in such a State remained in peaceful activities. In addition to the increased level of confidence that such a conclusion gave the international community, it also provided the necessary basis for the Secretariat to achieve more efficient safeguards implementation through a State-level integrated safeguards approach.

106. Canada welcomed the increase in the level of reporting on safeguards implementation and evaluation at the State level, which reflected the fact that the Secretariat's conclusions were the product of the evaluation of its verification activities as well as of all the safeguards-relevant information available to it. While the section of the SIR on safeguards at the facility level was useful and complemented the State-level information provided, Canada welcomed the move to incorporate the detailed verification and evaluation information in the appendices to the Report.

107. Canada commended the nine States that had amended their SQPs to reflect the modified text, and encouraged other States with SQPs to do likewise. It also welcomed the fact that a comprehensive safeguards agreement had entered into force in six States in 2006 and an additional protocol had entered into force for seven States, and urged all remaining States to accede to that standard.

108. Welcoming the initiation of integrated safeguards implementation in Latvia and Poland in 2006, she said that integrated safeguards had started to be implemented in Canada in 2007; she trusted that development would be reflected in the SIR for 2007.

109. Canada welcomed the Secretariat's efforts to develop and implement inspection effort-saving approaches for the verification of spent fuel transfers, including the progress made in 2006 with replacing obsolete analog surveillance systems by digital systems and increasing the use of unannounced inspections. It was very important for the Secretariat to maximize the efficiencies that could be achieved through those mechanisms as soon as and to the extent possible, and to be able to report on the savings that were attained.

110. Her delegation noted the Secretariat's progress on the Safeguards Information System Re-engineering Project and, given the importance and extensive scope of that project, looked forward to its timely conclusion.

111. It also welcomed the systematic approach that was being taken to inspector training.

112. Canada noted that the absence of an effectively functioning SSAC in a number of States had been identified as one of the most serious problem areas in safeguards implementation in 2006. It concurred that SSACs were fundamental to effective and efficient safeguards implementation, and welcomed the Secretariat's work to address those problems in an open and cooperative manner. It was clearly very important for a State and the Secretariat to provide one another with information required under safeguards agreements on a timely basis, and that such information should be as accurate as possible.

The meeting rose at 5.05 p.m.