

IAEA Board of Governors

Record of the 1197th Meeting
GOV/OR.1197

Nuclear verification: (a) The conclusion of safeguards agreements and of additional protocols

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

Board of Governors

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Record of the 1197th Meeting

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¹ GOV/2007/68

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. SKOKNIC	Chairman (Chile)
Mr. HOXHA	Albania
Ms. FEROUKHI	Algeria
Mr. CURIA	Argentina
Mr. SHANNON	Australia
Mr. LOCHER	Austria
Mr. BAZOBERRY	Bolivia
Mr. VALLIM GUERREIRO	Brazil
Ms. GERVAIS-VIDRICAIRE	Canada
Mr. LAGOS KOLLER	Chile
Mr. TANG Guoqiang	China
Mr. HORVATIĆ	Croatia
Mr. MOREJÓN-ALMEIDA	Ecuador
Mr. BELEW	Ethiopia
Ms. KAUPPI	Finland
Mr. DENIAU	France
Mr. GOTTWALD	Germany
Mr. BAAH-DUODU	Ghana
Mr. SHARMA	India
Mr. AQRAWI	Iraq
Mr. COGAN	Ireland
Mr. DE CEGLIE	Italy
Mr. AMANO	Japan
Mr. DAINIUS	Lithuania
Mr. DÍAZ	Mexico
Mr. ZNIBER	Morocco
Mr. TYODEN	Nigeria
Mr. SHAHBAZ	Pakistan
Mr. MONTEALEGRE	Philippines
Mr. BERDENNIKOV	Russian Federation
Mr. AL-SUWAYIEL	Saudi Arabia
Mr. MINTY	South Africa
Mr. STEINMANN	Switzerland
Mr. PANUPONG	Thailand
Mr. SMITH	United Kingdom of Great Britain and Northern Ireland
Mr. SCHULTE	United States of America
Mr. ELBARADEI	Director General
Mr. ANING	Secretary of the Board

Representatives of the following Member States also attended the meeting:

Afghanistan, Angola, Armenia, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Colombia, Cuba, Cyprus, Czech Republic, Denmark, Dominican Republic, Egypt, El Salvador, Estonia, Georgia, Greece, Holy See, Hungary, Iceland, Indonesia, Islamic Republic of Iran, Israel, Jordan, Kenya, Republic of Korea, Kuwait, Latvia, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Luxembourg, Malaysia, Malta, Monaco, Mongolia, Namibia, Netherlands, New Zealand, Norway, Panama, Paraguay, Peru, Poland, Portugal, Qatar, Republic of Moldova, Serbia, Slovakia, Slovenia, Spain, Sri Lanka, Sudan, Sweden, Syrian Arab Republic, The Former Yugoslav Republic of Macedonia, Tunisia, Turkey, Ukraine, United Arab Emirates, Uruguay, Bolivarian Republic of Venezuela, Yemen, Zimbabwe.

Abbreviations used in this record:

AFRA	African Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology
AIPS	Agency-wide Information System for Programme Support
ARCAL	Cooperation Agreement for the Promotion of Nuclear Science and Technology in Latin America and the Caribbean
DPRK	Democratic People's Republic of Korea
EFTA	European Free Trade Association
IPSAS	International Public Sector Accounting Standards
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
OIOS	Office of Internal Oversight Services
R&D	research and development
TACC	Technical Assistance and Cooperation Committee
TCF	Technical Cooperation Fund

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

– Opening of the meeting

1. The CHAIRMAN welcomed participants, including the new Resident Representatives Ms. Funes-Noppen of Belgium, Mr. Abdrakhmanov of Kazakhstan, Mr. Feruță of Romania and Mr. Nguyen of Vietnam.

– Adoption of the agenda (GOV/2007/60/Rev.2)

2. The CHAIRMAN invited the Board to adopt the revised provisional agenda contained in document GOV/2007/60/Rev.2.

3. The agenda was adopted.

4. The CHAIRMAN said that he wished to inform the Board about the General Assembly's approval of the resolution on the Agency's Annual Report.

5. On 27 September 2007, he had circulated to all IAEA members a draft resolution based on the one approved in 2006. On 3 October, an informal meeting open to all members had been held at which that draft resolution had been approved without modification. Through the Chilean Mission to the United Nations in New York, and with the assistance of Agency staff there, the draft had been distributed, briefings held and co-sponsors sought. He himself had attended a number of bilateral meetings at United Nations Headquarters and his delegation had formally presented the draft.

6. On Monday, 29 October, the General Assembly had met in plenary, spending almost the whole day on an analysis of the Agency's report. The Director General had presented the report and introduced the draft resolution. Some 30 delegations had taken the floor during the debate. There had been 101 co-sponsors, the highest number ever. The resolution had been adopted without a vote for the first time since 1990 (A/RES/62/2).

7. He thanked all those who had supported the resolution and facilitated his work as well as a non-member of the Agency that had been sufficiently flexible to alter its traditional position and join the consensus.

1. Introductory statement by the Director General

8. The DIRECTOR GENERAL said the agenda for the meeting focused on the report of the TACC and issues related to nuclear verification.

9. While the spotlight was often on the Agency's nuclear verification role, much of its activity centred on helping Member States address their development needs. The technical cooperation programme highlighted how peaceful nuclear technology could be used to address poverty, hunger and

disease — crises that, regrettably, were too often given less visibility on the global stage. The programme currently comprised over 1000 projects distributed over more than 50 fields of activity in 115 Member States.

10. It was an evolutionary programme that responded to the evolving needs of Member States. A good example was the use of radiation for plant breeding, which had produced a long chain of success stories: wheat varieties bred to thrive in dry climates; cocoa trees resistant to local viruses; barley that could flourish at high altitudes; or various fruits and vegetables bred for higher nutritional yield. In recent years, increased consideration had been given to the use of crops for biofuels. Indeed, that topic had been the subject of considerable discussion at a recent meeting of heads of United Nations agencies in New York. Some were beginning to question the wisdom of borrowing from the global food supply to supplement an ever greater demand for fuel. It might be that radiation-enhanced plant breeding could offer solutions. For example, it might be worth exploring whether oil-rich plants such as jatropha or sawgrass could be bred for both greater oil yield and better suitability for growing on wastelands and other soils not suitable for food production. That was but one example of how nuclear applications and the technical cooperation programme could evolve to address emerging needs.

11. The programme was also seeing a rising interest from Member States in Agency assistance with exploring the merits of nuclear power. The Agency was assisting with national energy studies in 77 Member States, 29 of which were exploring nuclear energy as an option. New technical cooperation projects had begun in several Member States to provide direct advice on introducing nuclear power and setting up the necessary infrastructure.

12. The technical cooperation programme was also evolving to reflect the enhancement of capacities and infrastructures for safe and secure nuclear technology in many recipient Member States. In some cases, that was leading to greater regional self-sufficiency and the ability to draw on collective, specialized expertise. It had also brought opportunities for cooperative regional ventures in areas such as water management and disease control. More recipient Member States were making cost-sharing contributions to supplement their technical cooperation programmes — for example, to purchase radiotherapy equipment. He was pleased with the overall improvement in contributions to technical cooperation funding and hoped that that trend would continue. It was essential that all Member States, both donors and recipients, pay their full share in a timely and predictable manner.

13. The Agency's role as an independent and competent verification body remained central to the effectiveness of the nuclear non-proliferation regime. As he had repeatedly stated, effective verification required four things: adequate legal authority; state-of-the-art technology; access to all relevant information and locations; and sufficient human and financial resources. The scope of the Agency's authority — and therefore its ability to fulfil its role effectively — remained uneven. Safeguards agreements were now in force in 163 States, but more than 100 States had yet to bring into force additional protocols and 30 States party to the NPT had not even brought into force their required comprehensive safeguards agreements with the Agency.

14. At the request of the DPRK, the Agency had been verifying and monitoring the shutdown and sealing of the Yongbyon nuclear facility since 18 July 2007. Work had been proceeding on the disablement of some of the Yongbyon nuclear facilities under six-party arrangements without the Agency's involvement. The six-party Joint Statement of 19 September 2005 envisioned the DPRK returning, at an early date, to the NPT and to IAEA safeguards. Under the NPT, the Agency had the responsibility to verify that all nuclear material in a State party had been declared and was under safeguards. It stood ready to assume that or any other verification role as and when requested.

15. The report contained in document GOV/2007/58 provided an update on the implementation of Agency safeguards in the Islamic Republic of Iran. So far the Agency had not been able to verify some

important aspects of Iran's nuclear programme: those relevant to the scope and nature of Iran's centrifuge enrichment activities, and to alleged studies and other activities that could have military applications. Iran's past undeclared nuclear activities, together with those verification issues, had resulted in the Agency's inability to make progress in providing assurances about the absence of undeclared nuclear material and activities and had created a confidence deficit about the nature of Iran's nuclear programme. That had prompted the Security Council to adopt a number of resolutions calling on Iran to clarify those outstanding verification issues and, at the same time, to undertake confidence-building measures, including the implementation of the additional protocol and the suspension of uranium enrichment activities.

16. The work plan agreed by the Secretariat and Iran in August 2007, in which Iran had finally engaged to address the outstanding issues relevant to its nuclear activities, was proceeding according to schedule. The report outlined progress made to date. As it made clear, on the first outstanding issue — the scope and nature of Iran's centrifuge enrichment activities — there had been good progress in connection with the verification of Iran's past acquisition of P-1 and P-2 centrifuge enrichment technologies. The Agency had concluded that the information provided by Iran was consistent with the Agency's own investigation. However, as in all verification cases, the Agency would continue to seek corroboration of that conclusion as it continued to verify the completeness of Iran's declarations concerning its nuclear material and activities, and as it investigated the remaining outstanding issues, namely the uranium particle contamination at a technical university and the alleged studies and other activities that could have military applications. In accordance with the work plan, that would take place over the coming weeks. Iran had provided a copy of the 15-page document on uranium metal, which the Agency was currently examining. The Agency was also continuing to work on arrangements with third parties for sharing with Iran documents related to the alleged studies.

17. The Agency's progress over the preceding two months had been made possible by an increased level of cooperation by Iran, in accordance with the work plan. However, he urged Iran to be more proactive in providing information and in accelerating the pace of its cooperation to allow the Agency to clarify all major remaining issues by the end of the year.

18. With regard to Iran's current nuclear activities, it had been possible to verify the non-diversion of all declared nuclear material. A safeguards approach was also in place for the Natanz facility that permitted the credible verification of all enrichment activities there.

19. However, as was the case with all States that did not have an additional protocol in force, the Agency was unable to provide credible assurances about the absence of undeclared nuclear material and activities in Iran, which was especially crucial for that country because of its history of undeclared activities and the corresponding need to restore confidence in the peaceful nature of its nuclear programme. As the report indicated, the Agency's knowledge about specific aspects of Iran's current programme had diminished since 2006 — when that country had ceased to provide the Agency with information under the additional protocol and additional transparency measures — especially with regard to current procurement, R&D and possible manufacture of centrifuges. He urged Iran to resume without delay implementation of the additional protocol. The Agency needed to have maximum clarity not only about Iran's past programme, but equally or more importantly about the present. However, it had no concrete information about possible undeclared nuclear material or weaponization activities, other than the outstanding issues already mentioned.

20. As the Agency pursued its investigation of Iran's past and present nuclear programme, he continued to urge Iran to take all the confidence-building measures called for by the Security Council, including the suspension of enrichment-related activities. That would be in the best interests of both Iran and the international community and should facilitate the return by all parties to dialogue and negotiations. The earlier negotiations were resumed, the better the prospects of defusing the crisis. It

was only through such negotiations that a comprehensive and durable solution could be reached and confidence in the future direction of Iran's nuclear programme built.

21. As he had reported to the Board on more than one occasion, the expected expansion in nuclear power would drive a commensurate increase in demand for nuclear fuel cycle services and the need for an assurance of supply mechanism. It could also increase potential proliferation risks created by the spread of sensitive nuclear technology. Ensuring that the nuclear energy option remained open and available to all countries in a way that promoted cooperation, trust and equity required effective verification and control of nuclear material. That was the subject of a report by a prominent group of experts that he had commissioned two years ago. Since that time, a number of proposals and ideas had been put forward relevant to the development of a new, multilateral framework for the nuclear fuel cycle, including as a first step a reliable mechanism for the assurance of supply of nuclear fuel. Those proposals and ideas were compiled in his report to the Board dated 13 June 2007 (GOV/INF/2007/11). The Secretariat had been reviewing those proposals to ensure that any such mechanism would be apolitical, non-discriminatory and available to all States that were in compliance with their safeguards obligations, and that it would not require a State to give up its rights regarding any parts of the nuclear fuel cycle. The Russian Federation had proposed setting aside a fuel bank under IAEA control at the fuel storage facility at Angarsk that would be available to States as a supply of last resort. In addition, the German Government had continued to examine arrangements for creating an international enrichment centre open to participation by all interested States. The Secretariat would continue to update member States on those and other proposals, as appropriate.

22. The Board had before it a report on the status of the Agency's Safeguards Analytical Laboratory. For several years, he had been speaking out about the detrimental effect of budget restrictions on the Secretariat's ability to carry out core functions. As far back as September 2002, he had told the Board that chronic and corrosive underfunding of the programme had brought the Agency close to being unable to provide credible safeguards. In subsequent statements, he had voiced his concern about the outdated equipment in the Agency's safeguards laboratories and the importance of ensuring the Secretariat's capacity to perform independent verification analysis. The Agency's ability to provide independent and timely analysis of safeguards samples — one of the cornerstones of the safeguards regime — was at risk because of ageing technical infrastructure and analytical equipment at its Safeguards Analytical Laboratory. Perimeter security at the facility did not meet current Agency and United Nations system standards. The severe lack of space available to perform multiple operations involving nuclear and radioactive material also gave rise to the risk that the laboratory would be unable to meet Agency safety requirements.

23. To address those vulnerabilities, options had been developed for strengthening the Agency's safeguards analytical capabilities, addressing the current deficiencies at the laboratory and alleviating related safety and security concerns. He urged Board members to take note of the funding requirements described in the report and to ensure that that crucial function could be adequately maintained.

24. There was one other area in which additional funding was urgently needed. In June 2007, the Board had decided that the Agency should implement IPSAS by 2010. A prerequisite for that was the significant upgrading of the Secretariat's information technology systems for finance and procurement to enable them to accommodate IPSAS. That upgrade was to be accomplished as an integral part of the Secretariat's effort to streamline and modernize its business processes through the introduction of a new Agency-wide Information System for Programme Support — AIPS, which would help achieve considerable synergies and significant financial savings. Unfortunately, AIPS could not be launched owing to lack of funding in the Regular Budget and, to date, extrabudgetary contributions had not been forthcoming.

25. AIPS was the centrepiece for increasing efficiency and effectiveness in programme delivery. A feasibility study had indicated that it would generate economies of the order of €6 million per year. Time was of the essence, for if AIPS was not begun early in 2008, the necessary upgrades in finance and procurement would not be in place in time to implement IPSAS in 2010. He once again asked Member States to ensure that the financial support needed for that key project, including extrabudgetary funding as necessary, was made available. The Agency could not do more for less. It was getting to a stage where its entire infrastructure was precarious and at great risk.

26. The issues of the Safeguards Analytical Laboratory and the AIPS system were two urgent areas requiring the Board's attention. Other areas of the Agency's activity were also being reviewed through the "20/20" study, under which the Secretariat was looking into programmatic requirements and financial resources needed through to the end of the next decade based on emerging trends in the Agency's activities, a thorough assessment of the Agency's obligations under the Statute, and the decisions of its Policy-Making Organs. That study was similar to an exercise he had initiated shortly after taking office. The Secretariat hoped to present it to the Board at its June 2008 meetings, after initial examination and advice by an independent high-level panel of experts.

2. Applications for membership of the Agency (GOV/2007/67)

27. The CHAIRMAN drew attention to document GOV/2007/67 which contained an application for membership of the Agency by the Sultanate of Oman and a draft report and resolution which the Board might wish to submit to the General Conference.

28. Mr. ELDIN ELAMIN (Sudan)*, speaking on behalf of the Group of 77 and China, Ms. GOICOCHEA ESTENOZ (Cuba)*, speaking on behalf of NAM, Ms. FEROUKHI (Algeria), speaking on behalf of the Arab Group, Mr. AQRAWI (Iraq), Mr. SHAHBAZ (Pakistan), Mr. SCHULTE (United States of America), Mr. MINTY (South Africa) and Mr. AL-SUWAYIEL (Saudi Arabia) welcomed the application for membership by the Sultanate of Oman.

29. The CHAIRMAN took it that the Board wished to recommend to the General Conference that it approve the application for membership by the Government of the Sultanate of Oman, and to submit to the General Conference the draft report attached to document GOV/2007/67.

30. It was so decided.

3. Technical cooperation: Report of the Technical Assistance and Cooperation Committee (GOV/2007/66)

31. The CHAIRMAN drew attention to document GOV/2007/66 containing the report of the TACC which had met earlier the same week. He proposed that the Board proceed to take decisions on the items referred to it by the Committee.

32. It was so agreed.

33. The CHAIRMAN drew attention to Annex 1 of document GOV/2007/66 containing the proposed technical cooperation programme for 2008. He took it that the Board agreed to take the action proposed in paragraph 12 of the Annex.

34. It was so decided.

35. Turning to the evaluation of technical cooperation activities, dealt with in Annex 2 of document GOV/2007/66, he took it that the Board wished to take note of the Secretariat's report on its evaluation activities in 2007 contained in document GOV/INF/2007/18 and the proposed work plan for 2008.

36. It was so decided.

37. The CHAIRMAN took it that the Board wished to adopt the Committee's report contained in document GOV/2007/66 as a whole.

38. It was so decided.

39. Mr. STEINMANN (Switzerland) said that although, in general, his delegation had been satisfied with the documentation provided for the recent meetings of the TACC, it would welcome specific proposals to remedy the drop in resources caused by the fall in the dollar exchange rate, regarding which the Secretariat had expressed concern. The number of footnote-a/ projects and the extent of extrabudgetary contributions were too high. Extrabudgetary contributions should be better managed and the priorities for their use should be decided by all. Switzerland shared the view expressed by several Member States that the financing of technical cooperation, which was not assured, should be considered under the "20/20" review process. Switzerland supported the recommendations of OIOS and in particular its evaluation of the fellowship component of technical cooperation projects which was of particular concern to it, especially relations between the Agency and institutions which might host fellows.

40. Mr. DENIAU (France) said that his country had always attached great importance to promotional activities which were one of the three pillars of the Agency's work and deserved appropriate funding. France had always paid its contributions to the TCF in full and on time and called upon all Member States to do likewise in order to maintain the rate of attainment achieved in 2005 and 2006 and ensure the predictability of resources and the sustainability of projects.

41. France encouraged the Secretariat in its efforts to achieve greater transparency and more coherence between the technical cooperation programme and the Medium Term Strategy in the interests of enhanced programme effectiveness. The one-house approach should be promoted and partnerships established to optimize the impact of projects on the ground. It was also important to hierarchize more effectively the priorities assigned by Member States in the light of available resources. He welcomed the report by the OIOS and urged it to continue its contribution to the technical cooperation programme.

42. At the recent meetings of the TACC, many Member States had noted the growing interest in assistance in the area of nuclear power. His country welcomed in particular the new project aimed at strengthening capacity for licensing the construction of a new nuclear power plant in Lithuania, and it planned to contribute US \$100 000 for projects and programmes related to the introduction of nuclear power and development of the necessary infrastructure.

43. The greatest possible number of States should be enabled to benefit from civilian nuclear technology, provided that they respected their non-proliferation commitments and used nuclear energy exclusively for peaceful purposes. The importance of non-proliferation should be given due consideration in the design and implementation of the technical cooperation programme.

44. In conclusion, he confirmed his country's support for technical cooperation projects in Africa and Latin America, in particular those conducted under the AFRA and ARCAL regional agreements, and for the PACT programme for which France had decided to provide further financial support.

45. Mr. AQRAWI (Iraq) said that his country had benefited greatly from the Agency's technical cooperation programme, even in the difficult situation which had prevailed since 1991. However, it had been unable to meet its financial obligations to the Agency. The Ministry of Science and Technology had approved the payment of all arrears by the first half of 2008, but the payment process was being held up by bureaucratic problems. He hoped that the Board would make allowances for Iraq's delay in paying its contributions. The country was in real need of technical assistance, particularly in the field of cancer therapy since cancer incidence had increased rapidly over the last 25 years as a result of the weaponry used during the war in Iraq. Technical cooperation could also provide valuable assistance in agriculture, animal husbandry and research in nuclear engineering.

46. His country had experienced some difficulties with the implementation of its technical cooperation programmes, particularly with the delivery and secure transport of nuclear material. Air transport was once again a feasible option, now that Baghdad airport had reopened. He expressed the hope that, in future, projects would be implemented more quickly and that training and research funding would be made available.

47. Ms. FEROUKHI (Algeria), speaking on behalf of the Arab Group, welcomed Iraq back as a member of the Board and echoed the appeal by the representative of that country for pragmatic solutions which would improve the socio-economic situation of a people which had suffered so greatly.

48. The CHAIRMAN thanked Mr. Montealegre of the Permanent Mission of the Philippines for serving as Rapporteur of the TACC, and the Mission for making his services available.

4. Nuclear verification

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

(GOV/2007/61, 62, 63, 64 and 65)

49. The CHAIRMAN noted that the Board had before it safeguards agreements and additional protocols to be concluded with the Republic of Chad and the Republic of Mozambique, contained in documents GOV/2007/61, 62, 63 and 64, and an additional protocol to be concluded with the Republic of Côte d'Ivoire, contained in document GOV/2007/65

50. Ms. GOICOCHEA ESTENOZ (Cuba)*, speaking on behalf of NAM, took note of the decisions of the Governments of Chad and Mozambique to conclude comprehensive safeguards agreements and additional protocols with the Agency and the decision of Côte d'Ivoire to conclude an additional protocol with the Agency.

51. Mr. BERDENNIKOV (Russian Federation) welcomed the decision of Chad and Mozambique to conclude safeguards agreements and additional protocols with the Agency, and the decision of Côte d'Ivoire to conclude an additional protocol.

52. The Russian Federation supported the strengthening of the Agency's verification activities, in particular by extending the application of safeguards agreements and additional protocols, and it was in favour of the universal application of the additional protocol. Thus, on 2 October 2007,

President Putin had signed a Federal law on the ratification of the Russian Federation's additional protocol and, on 16 October 2007, that document had entered into force. He called on all States party to the NPT which had not yet done so to fulfil their obligations under the NPT and conclude comprehensive safeguards agreements with the IAEA, and urged them to conclude and bring into force additional protocols.

53. The CHAIRMAN took it that the Board wished to take the actions recommended in documents GOV/2007/61 and 62 and authorize the Director General to conclude, and subsequently implement, a safeguards agreement and additional protocol with the Republic of Chad.

54. It was so decided.

55. The CHAIRMAN took it that the Board wished to take the actions recommended in documents GOV/2007/63 and 64 and authorize the Director General to conclude, and subsequently implement, a safeguards agreement and additional protocol with the Republic of Mozambique.

56. It was so decided.

57. The CHAIRMAN further took it that the Board wished to take the action recommended in document GOV/2007/65 and authorize the Director General to conclude with the Government of Côte d'Ivoire, and subsequently implement, the additional protocol which was the subject of that document.

58. It was so decided.

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

59. Mr. TANG Guoqiang (China) expressed appreciation for the impartiality and professionalism with which the Agency had carried out its verification activities in the DPRK and welcomed the positive results achieved.

60. The Korean nuclear issue affected peace and stability in north-east Asia and his country remained committed to resolving it through dialogue, with the final aim of achieving the denuclearization of the Korean Peninsula, in line with the aspirations of the international community and in the common interest of all parties. Important progress had been made towards that goal through the efforts of all parties concerned and through the negotiations in the six-party talks. On 3 October 2007, the six parties had adopted a document on implementation of the second-phase actions and had reached consensus on specific measures to be taken by 31 December 2007. In accordance with that document, a team of United States experts had begun work on disabling the nuclear facilities at Yongbyon. At the same time, all parties had been maintaining contacts through bilateral and multilateral channels regarding implementation of the current phase.

61. The six-party talks had become an important platform for enhancing trust and understanding, normalizing relations among the countries concerned, and building and coordinating relations in north-east Asia. Frank dialogue and conscientious negotiations among all parties concerned had had a positive impact on reducing differences and reaching consensus. As long as all sides continued to act in good faith and took positive measures, they would deepen the process of negotiation and implement the agreements reached in a balanced and comprehensive manner, thereby promoting progress. China, which had always been dedicated to dialogue and a peaceful solution to the Korean nuclear issue, would continue to work with the parties concerned and the international community and play a constructive role in promoting the six-party talks and the process of the denuclearization of the Korean Peninsula.

62. Ms. GOICOCHEA ESTENOZ (Cuba)*, speaking on behalf of NAM, reiterated NAM's desire for the denuclearization of the Korean Peninsula and its continued support for the six-party talks. NAM had welcomed the Joint Statement and the agreement on initial actions and it noted with satisfaction that the monitoring and verification activities envisaged under the latter agreement were being implemented with the cooperation of the DPRK and the active participation of the Agency. It encouraged the Agency and the DPRK to continue their efforts in that regard.

63. Mr. DUARTE (Portugal)*, speaking on behalf of the European Union, the candidate countries Croatia, the Former Yugoslav Republic of Macedonia and Turkey, the countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina, Montenegro and Serbia, the EFTA countries Iceland and Norway, members of the European Economic Area, as well as Moldova and Ukraine, said that the European Union had continuously supported efforts within the framework of the six-party talks to find a diplomatic solution to the Korean nuclear issue. Accordingly, it welcomed the agreement on actions in the next phase of the implementation of the Joint Statement and looked forward to the full disablement and dismantling of the DPRK's nuclear facilities.

64. The European Union had repeatedly called for full compliance by the DPRK with Security Council resolution 1718 (2006), in particular paragraph 6 thereof, and had called on the DPRK to return to the implementation of its comprehensive safeguards agreement.

65. The European Union valued the work already done by the Secretariat and underlined the Agency's importance in monitoring and verifying the shutdown of nuclear facilities in the DPRK in a rapid, verifiable and irreversible manner. The Agency had an indispensable role to play in verifying future steps in the process, including the completeness and correctness of the DPRK's declaration of its nuclear programmes. With a view to contributing to extrabudgetary resources for the Agency's monitoring and verification activities in the DPRK, on 20 November 2007 the European Union Foreign Ministers had adopted a Council Joint Action in support of those activities under which the European Union would make available close to €1.8 million for the financing of the Agency's activities to monitor the continued shutdown of the DPRK's nuclear facilities, in accordance with the mandate given by the Board in July 2007. The European Union encouraged other Member States, in particular those participating in the six-party talks, to consider additional contributions in order to ensure continued implementation of the Agency's monitoring and verification activities until such activities were covered by the Agency's safeguards budget.

66. Ms. GERVAIS VIDRICAIRE (Canada) said that her country remained deeply concerned about the DPRK's nuclear activities, particularly those related to the nuclear test in October 2006. It was also very concerned about other undeclared nuclear activities and material in the DPRK and called upon that country to fulfil its obligations under Security Council resolutions 1695 (2006) and 1718 (2006) without delay.

67. With that in mind, Canada welcomed the recent progress made towards a peaceful resolution of the DPRK nuclear issue within the six-party talks process, and the initiation of actions under the 13 February 2007 agreement, including the shutdown of nuclear facilities in Yongbyon and the return of Agency staff for monitoring and verification activities. It also welcomed the initiation of disablement activities at the Yongbyon reactor, reprocessing facility and fuel fabrication plant. The Agency had an important role to play in verifying the disablement and eventual dismantlement processes. Involvement in those activities would also assist the Agency in developing a comprehensive understanding of past declared nuclear activities of the DPRK, which would be of value in assessing current activities or activities yet to be declared.

68. While recognizing the steps already taken, her country called on all parties to implement fully and expeditiously the entire agreement of 13 February 2007 and encouraged the DPRK to take further steps, including the timely provision of a complete declaration of all nuclear programmes. It encouraged continued progress and called on the DPRK to take the necessary steps to meet its broader commitments under the Joint Statement of September 2005, and in particular to abandon its nuclear weapons in a complete and verifiable manner.

69. Mr. AMANO (Japan) expressed appreciation for the Agency's continuing monitoring and verification of the shutdown of the Yongbyon nuclear facility and the significant contribution it was making to implementing the six-party talks agreements.

70. In the agreement reached on 3 October 2007, the DPRK had confirmed that it would disable all existing nuclear facilities and had committed itself to taking specific measures by 31 December 2007 under the second-phase actions, namely the complete disablement of the 5 MW experimental reactor, the reprocessing plant and the nuclear fuel rod fabrication facility at Yongbyon, and the provision of a complete declaration of its nuclear programmes. He expressed appreciation for the fact that the work on disabling the three facilities at Yongbyon had started under the leadership of the United States. It was important that the DPRK implement its commitments fully. Further work was needed within the framework of the six-party talks to realize the complete implementation of the second-phase actions and the abandonment of all nuclear weapons and existing nuclear programmes as agreed in the Joint Statement of September 2005. Japan would continue to work together with other partners in the six-party talks towards full implementation of the Joint Statement.

71. It was also important that the DPRK comply with Security Council resolution 1718 (2006), acting in accordance with its obligations under the NPT and its safeguards agreement, and providing the Agency with any transparency measures it deemed necessary.

72. Japan looked forward to the Agency playing a significant role in the process of nuclear abandonment by the DPRK, including the ongoing monitoring and verification of the Yongbyon nuclear facility and the disablement in the second phase. Japan would work closely with other partners and continue to support actively the Agency's activities.

73. Mr. STEINMANN (Switzerland) welcomed the DPRK's commitment to disable its nuclear installations and provide a complete list of its nuclear programmes by 31 December 2007. Switzerland had noted with satisfaction that the disablement process would be conducted in accordance with international safety and verification standards. It commended the efforts made in that process by the United States, but wondered whether it would not be beneficial for the credibility of the non-proliferation regime if the Board were to consider ways in which the Agency might be more closely involved.

74. Switzerland urged the DPRK to respect the undertaking of 3 October 2007 not to transfer nuclear material, technology and know-how. It also encouraged that country to return to the NPT in order to be able to benefit from the peaceful uses of nuclear energy.

75. Mr. DÍAZ (Mexico) welcomed the DPRK's commitment to abandon all its nuclear weapons and existing nuclear programmes, and to return to the NPT as soon as possible and apply Agency safeguards. It was encouraged by the agreement to shut down the nuclear installations at Yongbyon, in particular the 5 MW experimental reactor and the nuclear fuel enrichment plant, which measures helped build confidence and promote dialogue between the parties concerned. It also welcomed the joint statement adopted at the inter-Korean summit held from 2 to 4 October 2007 in Pyongyang.

76. Mexico had followed closely the development of the issue and it supported the six-party talks. It was pleased that the DPRK was prepared to cooperate in a constructive spirit and hoped that it would

fulfil its commitments, thereby enabling further progress to be made in achieving the rapid denuclearization of the Korean Peninsula.

77. Mr. BERDENNIKOV (Russian Federation) said that his country had been following the Agency's monitoring of nuclear facilities in the DPRK pursuant to the initial actions agreement of February 2007 and felt that, for the Agency's inspectors to perform their functions effectively, appropriate coordination was needed between the Agency and the six-party talks process.

78. He stressed the importance of the recently agreed second-phase actions for the implementation of the September 2005 Joint Statement. Work appeared to have commenced on disabling the three nuclear facilities in Yongbyon and was expected to be complete by 31 December 2007. It was also expected that the DPRK would provide a complete and accurate declaration of all its nuclear programmes by the same date. He stressed the importance of compliance with safety requirements in that connection. Furthermore, it was to be hoped that, within the framework of the six-party talks, general agreement would be reached on the role that the Agency could and must play above and beyond the verification of the shutdown and sealing of the DPRK's nuclear facilities.

79. Cooperation between the DPRK and the Agency was essential, as well as the restoration, at the appropriate stage, of that country's participation in the Agency's work and the application of Agency safeguards in the country. As the international body with the authority to conduct unbiased, reliable and trustworthy verification of the peaceful nature of the nuclear activities of States, the Agency would, of necessity, play an increasing role in the resolution of the Korean nuclear issue.

80. Mr. SCHULTE (United States of America) said that Agency personnel in the DPRK were currently continuing the important and at times dangerous work they had begun on 14 July of verifying and monitoring the shutdown status of the DPRK's five nuclear facilities at Yongbyon and Taechon. The United States commended the Agency for its ongoing work in the DPRK and for its contributions to peace and to strengthening of the global non-proliferation regime.

81. Progress was being made in implementing the September 2005 Joint Statement, the February 2007 initial actions for the implementation of the Joint Statement and the October 2007 second-phase actions for implementation of the Joint Statement, and it was expected that the second-phase actions would be complete by the end of the year. Since 3 November, a team of technical experts, led by the United States at the request of the other parties, had been continuously on site at Yongbyon working with DPRK technicians on a series of measures to disable the 5 MW(e) reactor, the radiochemical laboratory (or reprocessing plant) and the fuel rod fabrication plant. Other parties were expected to participate in the disablement activities by the end of the year. One of the most important disablement steps would involve the discharge of fuel currently in the 5 MW(e) reactor to the spent fuel pond. United States experts were working to ensure safe discharge to the pool that would not cause problems for future disposition of the spent fuel, in a manner consistent with verification requirements. With the set of all agreed disablement activities completed, the United States believed that it would take about one year to reconstitute the three facilities.

82. Under the second-phase actions, the six parties had agreed that the disablement of the three facilities would be completed by 31 December 2007. The DPRK had cooperated with the expert team since disablement had begun on 3 November. He urged the DPRK to continue to cooperate throughout the disablement process and to permit the Agency to monitor the disablement activities. The DPRK had also agreed to provide a complete and correct declaration of all its nuclear programmes in accordance with the 13 February agreement. It had stated that it hoped to provide an initial declaration shortly. He called on the DPRK to ensure that the declaration was complete and correct and included all nuclear programmes, as described in the September 2005 Joint Statement.

83. The six-party process had moved beyond its initial stage but was, of course, still far from its final goal of a denuclearized Korean Peninsula. Thus, United Nations Security Council resolution 1718 (2006) remained in effect and all Member States should continue to abide by the provisions of that mandatory Chapter VII resolution.

84. The United States had been working closely with the Agency to ensure that the efforts of both were in harmony throughout the process of denuclearizing the Korean Peninsula. In the preceding week, Assistant Secretary Christopher Hill had met with the Director General to ensure continued cooperation and coordination on matters related to the verifiable denuclearization of the region. The United States would pursue its close collaboration as the disablement phase moved forward towards the abandonment of all nuclear weapons and existing nuclear programmes by the DPRK.

85. The United States would like the Agency to play an important role at all stages of the implementation of the September 2005 Joint Statement, including verification of the DPRK's declaration, disablement activities and, in the future, dismantlement activities. In the Joint Statement, the DPRK had pledged to return to the NPT and Agency safeguards at an early date. It could only realize the full benefits envisaged in that statement, which included economic and energy cooperation, security provisions, and normalization of relations with the United States and Japan subject to bilateral policies and issues of concern, when it returned to the NPT and safeguards. The role of the Agency, and full DPRK cooperation with it, would be important throughout that process.

86. The United States welcomed the announcement by the European Union that it was joining with the United States and Japan in providing extrabudgetary funding for that effort.

87. Mr. MONTEALEGRE (Philippines) said that his country had consistently advocated a peaceful and just solution to the Korean Peninsula nuclear issue. The Philippines upheld the primacy of the six-party talks as the most comprehensive, practical and logical approach to achieving peace and sustained prosperity in the region.

88. His country welcomed the progress made in the disablement of the nuclear facilities at Yongbyon, consistent with the agreement reached by the participants at the sixth round of talks in September 2007. Implementation of the 13 February initial actions agreement should pave the way for the return of the DPRK to the Agency and the non-proliferation regime.

89. The Philippines remained optimistic about the momentum and goodwill generated by those positive developments. It encouraged key regional players to continue to seek creative ways of ensuring the denuclearization of the Korean Peninsula and to promote progress towards peaceful, normalized relations in the region.

90. With those comments, he took note of the report of the Director General.

91. Mr. SHANNON (Australia) welcomed the steady progress towards implementation of the 13 February six-party statement. The 3 October agreement on second-phase actions under the Joint Statement had been a further positive step towards resolving the DPRK nuclear issue. Implementation of the second-phase requirements for a complete declaration of all nuclear programmes and the disablement of all existing nuclear facilities would constitute notable progress, and would be in the DPRK's own security and economic interests.

92. Australia appreciated the Agency's swift and effective action in re-applying verification at the Yongbyon nuclear facilities. Clearly, it had a central and essential role to play in verification arrangements in the DPRK.

93. While it was encouraged by progress to date, his country was aware that much hard work remained if the denuclearization of the Korean Peninsula was to be achieved. With arrangements for

moving ahead on the 13 February statement well established, Australia looked to the DPRK to find ways to speed up its cooperation. It encouraged all participants in the six-party talks to maintain the positive momentum they had established through full and prompt implementation of their commitments.

94. Australia supported efforts to achieve a lasting resolution of the DPRK nuclear issue. It was ready and willing to lend tangible support, including through development assistance and other bilateral steps, conditional upon the DPRK continuing to implement its commitments and subject to the requirements of Security Council resolution 1718 (2001) and other relevant resolutions. It would continue to work with six-party talks participants and others to achieve progress.

95. Mr. MINTY (South Africa) welcomed the progress made in the context of the six-party talks and called on the DPRK to cooperate fully with the Agency by allowing it continued access to monitor and verify its activities as agreed. That would enable the Agency to verify whether the DPRK's nuclear weapons programme had been irreversibly terminated. South Africa was convinced that that new framework could lead to the complete denuclearization of the Korean Peninsula, thereby easing tensions in the region. The Agency should be more closely involved in the denuclearization process. It was to be hoped that the DPRK would return to the NPT without delay and would place all its facilities and activities under Agency comprehensive safeguards.

96. Mr. KIM Sung-Hwan (Republic of Korea)* said that, since the Board had last discussed the issue in September, the six-party talks process had continued to make progress towards a peaceful resolution of the DPRK nuclear issue.

97. His country welcomed the fact that the actual process of disablement was now well under way. It expected that that process, which comprised specific measures that would be difficult to reverse once implemented, would be completed in a timely manner.

98. The smooth implementation of the declaration of nuclear programmes and the disablement measures was the key to dismantling all nuclear programmes and existing facilities in the DPRK in an irreversible manner and realizing the verifiable denuclearization of the Korean Peninsula. His country hoped that the six parties would continue to take further steps in accordance with their commitments.

99. The Republic of Korea appreciated the Agency's valuable and timely contribution to verification and monitoring activities in the DPRK. As in the past, his Government would work closely with the Agency and all parties concerned with a view to resolving the DPRK nuclear issue in a peaceful manner. It trusted that the Board of Governors would also continue to render its valuable support in that regard.

100. Ms. MACMILLAN (New Zealand)* noted with satisfaction that the understanding on monitoring and verification reached in June 2007 between the Agency and the DPRK continued to be constructive and that the Agency was playing an active role in assisting the DPRK in fulfilling its safeguards obligations.

101. Her country also welcomed the positive progress with regard to the second-phase actions and the disablement of the three nuclear facilities at Yongbyon. It looked forward to the next step: a full declaration and the disablement by the DPRK of all its nuclear programmes.

102. New Zealand supported the efforts of all participants in the six-party talks to work expeditiously towards the denuclearization of the DPRK. It hoped that the recent progress would lead to the DPRK returning to full compliance with its international obligations and to its early return to Agency safeguards and the NPT.

103. A committed dialogue, with all parties working constructively to bring about a positive resolution, was the best way of achieving a peaceful and comprehensive resolution of the Korean Peninsula nuclear issue.

104. The CHAIRMAN, summing up the discussion, said that the Board had recalled the Joint Statement of the fourth round of the six-party talks, contained in document GOV/INF/2007/14, in which, inter alia, the DPRK had expressed its commitment to abandoning all nuclear weapons and existing nuclear programmes and returning, at an early date, to the NPT and to Agency safeguards.

105. The Board had also recalled and welcomed the agreement on the initial actions for the implementation of the six-party Joint Statement, contained in document GOV/INF/2007/6, which had been reached at the third session of the fifth round of six-party talks held in Beijing on 13 February 2007, in which the DPRK, inter alia, had agreed to shut down and seal for the purposes of eventual abandonment the Yongbyon nuclear facility, including the reprocessing facility, and invite back IAEA personnel to conduct all necessary monitoring and verification as agreed between the Agency and the DPRK.

106. The Board had noted the steps taken by the States concerned to proceed with the implementation of the initial actions and had welcomed in that regard the shutdown of the nuclear facilities concerned by the DPRK and the ongoing work on the disablement of some of the Yongbyon nuclear facilities. It had also welcomed the next-phase actions foreseen in the Joint Statement and looked forward to its full implementation.

107. The Board had expressed the view that a successfully negotiated settlement of that longstanding issue, maintaining the essential verification and monitoring role of the Agency in all stages of the process, would be important for international peace and security.

108. The Board had recalled the ad hoc monitoring and verification arrangement agreed in June between the Agency and the DPRK and had welcomed the fact that the Agency had verified the shutdown status of the five installations at the Yongbyon nuclear facility and was continuing to implement the ad hoc monitoring and verification arrangement. The Board had emphasized the indispensable role of the Agency in verifying future steps in the process, including the correctness and completeness of DPRK's declaration of its nuclear programmes.

109. With regard to financial contributions to the Agency's monitoring and verification activities in the DPRK, the Board had welcomed a pledge of €1.8 million from the European Union.

110. The Board had emphasized the importance of continued dialogue to achieving a peaceful and comprehensive resolution of the DPRK nuclear issue and early denuclearization of the Korean Peninsula. Support had been expressed for the common goal and political will of the parties to the six-party talks and the constructive role of the Agency in that regard. The Board had expressed its appreciation for the role of China in that process and as Chairman of the six-party talks.

111. The Board had requested the Director General to keep the Board informed as appropriate.

112. He asked whether his summing-up was acceptable.

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

The meeting rose at 12.55 p.m.