

IAEA Board of Governors

Record of the 1239th Meeting
GOV/OR.1239

Nuclear Verification

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

(b) The Safeguards Implementation Report for 2008

Board of Governors

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Record of the 1239th Meeting

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¹ GOV/2009/42.

Attendance

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

Ms FEROUKHI		Chairperson (Algeria)
Mr SHOOGUFAN	_____	Afghanistan
Mr GALANXHI		Albania
Mr KHELIFI		Algeria
Ms DONNA RABALLO		Argentina
Mr KRUSE		Australia
Mr VALLIM GUERREIRO		Brazil
Mr SOULAMA		Burkina Faso
Ms GERVAIS-VIDRICAIRE		Canada
Mr TANG Guoqiang	}	China
Mr LIU Yongde		
Ms GOICOCHEA ESTENOZ		Cuba
Mr GARCÉS-BURBANO		Ecuador
Mr FAWZY		Egypt
Ms KAUPPI		Finland
Mr CARON		France
Mr LÜDEKING	}	Germany
Mr PAPE		
Ms AMOAH		Ghana
Mr KUMAR		India
Mr ALSHARIA	}	Iraq
Mr AQRAWI		
Mr BRADY		Ireland
Mr NAKANE		Japan
Ms GREIČIUVIENĖ		Lithuania
Mr ARSHAD		Malaysia
Mr CANCHOLA GUTIERREZ		Mexico
Ms MACMILLAN		New Zealand
Ms LACANLALE		Philippines
Mr NECULĂESCU		Romania
Mr BERDENNIKOV	}	Russian Federation
Mr KONDRATENKOV		
Mr AL-TAIFI		Saudi Arabia
Mr MINTY	}	South Africa
Mr GUMBI		
Mr DE GUZMÁN MATAIX		Spain
Mr MULTONE		Switzerland
Ms DARAMA		Turkey
Mr DRAPER	}	United Kingdom of Great Britain and Northern Ireland
Mr PYATT		
Ms PAPPAS	}	United States of America
Mr LUONGO CÉSPEDES		

Attendance (continued)

Mr ELBARADEI	Director General
Mr HEINONEN	Deputy Director General, Department of Safeguards
Mr ANING	Secretary of the Board

Representatives of the following Member States also attended the meeting:

Austria, Azerbaijan, Belgium, Bolivia, Bosnia and Herzegovina, Chile, Côte d'Ivoire, Croatia, Czech Republic, Denmark, El Salvador, Estonia, Greece, Holy See, Hungary, Indonesia, Islamic Republic of Iran, Israel, Italy, Jordan, Kazakhstan, Republic of Korea, Kuwait, Kyrgyzstan, Lebanon, Libyan Arab Jamahiriya, Luxembourg, Mongolia, Morocco, Namibia, Netherlands, Norway, Pakistan, Portugal, Senegal, Serbia, Singapore, Slovenia, Sudan, Sweden, Syrian Arab Republic, Thailand, Tunisia, Ukraine, United Arab Emirates, Bolivarian Republic of Venezuela, Vietnam, Yemen and Zimbabwe.

Abbreviations used in this record:

ABACC	Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials
CANDU	Canada deuterium-uranium [reactor]
DPRK	Democratic People's Republic of Korea
EFTA	European Free Trade Association
EU	European Union
Euratom	European Atomic Energy Community
HEU	high-enriched uranium
LEU	low-enriched uranium
MSSP	Member State Support Programme
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
NWAL	Network of Analytical Laboratories
R&D	research and development
RSAC	regional system of accounting for and control of nuclear material

Abbreviations used in this record (continued):

SAGSI	Standing Advisory Group on Safeguards Implementation
SAL	Safeguards Analytical Laboratory
SIR	Safeguards Implementation Report
SQ	significant quantity
SQP	small quantities protocol
SSAC	State system of accounting for and control of nuclear material
UNMOVIC	United Nations Monitoring, Verification and Inspection Commission

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

5. Nuclear verification

(a) The conclusion of safeguards agreements and of additional protocols (GOV/2009/37, 38 and 41)

1. The CHAIRPERSON said that the Board had before it a comprehensive safeguards agreement and an additional protocol to be concluded with the Republic of Rwanda, contained in documents GOV/2009/37 and GOV/2009/38, and an additional protocol to be concluded with the Republic of Serbia, contained in document GOV/2009/41.

2. Ms GOICOCHEA ESTENOZ (Cuba), speaking on behalf of NAM, took note that the Republic of Rwanda had decided to conclude an NPT safeguards agreement and also an additional protocol to that agreement.

3. Ms PAPPAS (United States of America) welcomed the decision made by the Republic of Rwanda to conclude a comprehensive safeguards agreement and an additional protocol. She also welcomed the decision made by the Republic of Serbia to conclude an additional protocol to its safeguards agreement.

4. Those agreements were important steps towards the universalization of the additional protocol. The ratification of additional protocols strengthened the Agency and the nuclear non-proliferation regime as a whole. The United States hoped to work together with the Agency and with States that had additional protocols in force to increase the momentum towards making a safeguards agreement together with an additional protocol the verification standard in the nuclear non-proliferation regime. Only through that combination could the Director General draw conclusions about the absence of undeclared activities.

5. The United States strongly supported universal application of the additional protocol as an essential element of the Agency's verification. Also, the additional protocol served as an important confidence-building measure. By adopting and implementing the additional protocol, countries that had or were planning significant nuclear activities gave their neighbours additional confidence that their pursuits were purely peaceful.

6. The United States called on those States that had not fulfilled their NPT obligation to take steps to expedite the conclusion and entry into force of their comprehensive safeguards agreements.

7. Noting the slow pace of the adoption of the modified SQP, which as of the end of 2008 had been in force in only 19 of 80 countries, she called on those States which had not already done so to revise or rescind their SQPs.

8. Mr PANČESKI (Serbia)* said that in 2004, the State Union of Serbia and Montenegro, the predecessor of the Republic of Serbia as a member of the Agency, had expressed its intention to conclude an additional protocol with the Agency. At its 1106th meeting, held in Vienna on 13 September 2004, the Board of Governors had decided to authorize the Director General to conclude and subsequently implement the additional protocol with Serbia and Montenegro, as contained in document GOV/2004/72.

9. Despite the challenges the Republic of Serbia had faced recently, its political will to conclude such an additional protocol had remained unchanged. Serbia was firmly committed to the peaceful uses of nuclear technologies and energy in compliance with the NPT.

10. The recent adoption of a national legal framework, and in particular of a law on ionizing radiation protection and nuclear safety, had paved the way towards establishing adequate administrative capacity and towards responsible fulfilment of the requirements of the additional protocol. The law, which was fully harmonized with international standards, envisaged the creation of an independent regulatory body, which should facilitate application of the additional protocol. Serbia thanked the Secretariat for its assistance in drafting that law.

11. He expressed the hope that the Republic of Serbia's commitment would send a strong political message which would contribute to strengthening the effectiveness and credibility of the safeguards system and to setting it on the path towards universal application at a time when it was facing grave challenges. A strong and functional safeguards system was an indisputable prerequisite for the Agency to be able to fulfil its verification role.

12. The CHAIRPERSON took it that the Board wished to take the action recommended in document GOV/2009/37 and authorize the Director General to conclude, and subsequently implement, a safeguards agreement and protocol with the Republic of Rwanda.

13. It was so decided.

14. The CHAIRPERSON further took it that the Board wished to take the action recommended in document GOV/2009/38 and authorize the Director General to conclude, and subsequently implement, an additional protocol with the Republic of Rwanda.

15. It was so decided.

16. The CHAIRPERSON, referring to document GOV/2009/41, also took it that the Board wished to take the action recommended therein and authorize the Director General to conclude, and subsequently implement, an additional protocol with the Republic of Serbia.

17. It was so decided.

(b) The Safeguards Implementation Report for 2008
(GOV/2009/24 and Corr.1)

18. The CHAIRPERSON said that the SIR for 2008, contained in document GOV/2009/24, provided a description and analysis of the Agency's safeguards operations in 2008 and summarized the problems encountered. The report had been the subject of an informal briefing on 20 May 2009 at which members had had the opportunity to seek clarifications prior to the present meeting.

19. The action recommended to the Board was to take note of the report and to authorize the release of the Safeguards Statement and the Background thereto for wider publication.

20. Ms GOICOCHEA ESTENOZ (Cuba), speaking on behalf of NAM, said that the SIR for 2008 represented the Secretariat's assessment of the implementation of safeguards agreements in Member States. The SIR could be designed and prepared in a manner allowing the views of the Member States to be reflected in order to have a more factual, balanced and comprehensive report.

21. NAM expressed regret that, prior to issue of the SIR on GovAtom, a statement made on behalf of the Secretariat at a public meeting in New York had contained specific references to the SIR's restricted content. Furthermore, on the day that the report had been officially submitted by the Secretariat, it had been quoted by some media in a way that had distorted the information contained in

it and speculating on the fulfilment by some Member States of their safeguards obligations. NAM expressed concern about that leakage of confidential information and asked the Secretariat to take strong and effective measures to prevent such leaks. The Director General should not only identify additional measures to that end, perhaps including a code of conduct to be followed by the Secretariat, but also strengthen existing measures and deal appropriately with violators.

22. NAM shared the view expressed in the report that SSACs were fundamental to the effective and efficient implementation of safeguards and noted with appreciation the actions taken by the Secretariat in 2008 to assist Member States in establishing and strengthening their SSACs. NAM called on the Secretariat to continue its efforts in that regard.

23. NAM renewed its call upon the Agency to assist interested Member States, particularly developing countries, in building up national capabilities for the analysis of environmental samples. An increase in the number of qualified members of the NWAL could contribute to expanding the Agency's analytical capabilities and would enhance efficiency. NAM expressed satisfaction that laboratories in two developing countries had started the qualification process for bulk analysis of environmental samples.

24. Mr GORGOL (Czech Republic)*, speaking on behalf of the EU, the candidate countries Turkey, Croatia and the former Yugoslav Republic of Macedonia², the countries of the Stabilisation 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 Ukraine, the Republic of Moldova, Azerbaijan and Georgia, said that the EU appreciated the Agency's dedicated efforts to strengthen the international safeguards system.

25. The EU strongly supported the Agency's efforts to strengthen the effectiveness and improve the efficiency of its safeguards system, as also expressed in the EU working paper on forward-looking proposals on all three pillars of the NPT presented at the recent third meeting of the Preparatory Committee for the 2010 NPT Review Conference. Through comprehensive safeguards agreements, the Agency was able to verify the non-diversion of declared nuclear material in States having such agreements. The additional protocol provided the Agency with important supplementary tools for broader access to information and locations, which enabled the Agency to verify the absence of undeclared nuclear materials and activities. The additional protocol together with a comprehensive safeguards agreement represented the current verification standard.

26. The EU commended Bahrain, Comoros, Qatar and Saudi Arabia for having brought into force comprehensive safeguards agreements since the preceding SIR, but regretted that, as of 19 May 2009, there were still 26 States party to the NPT which had not yet brought comprehensive safeguards agreements into force. Also, the EU expressed its disappointment that 105 States had still been without an additional protocol in force at the end of 2008.

27. The EU encouraged all States, especially the ones currently operating nuclear power plants or building or planning to construct them in the future, to take the necessary steps to bring a comprehensive safeguards agreement into force and to sign, ratify and implement an additional protocol without delay. Universalization of the additional protocol would not only strengthen the non-proliferation regime and contribute to enhancing security worldwide, but it would also significantly increase the confidence needed for international cooperation in the peaceful uses of nuclear energy to reach its full potential. In that regard, the EU welcomed the report in the SIR on the

² Croatia and the Former Yugoslav Republic of Macedonia continued to be part of the Stabilisation and Association Process.

implementation of the Plan of Action to Promote the Conclusion of Safeguards Agreements and Additional Protocols.

28. The EU noted with satisfaction that, according to the Safeguards Statement for 2008, in the States where the Agency implemented safeguards, the Secretariat had found no indication of the diversion of declared nuclear material from peaceful nuclear activities and had concluded that, for those States, declared nuclear material remained in peaceful activities.

29. The EU welcomed the fact that Egypt had clarified the issues raised in 2005 relating to its previous undeclared activities, that the Agency had concluded that Egypt's statements were consistent with the Agency's findings, and that those issues were no longer outstanding. The EU noted that the Secretariat, in cooperation with Egypt, would continue to seek to clarify the matter of the HEU and LEU particles found at Inshas as part of its ongoing verification activities, including through environmental sampling.

30. The EU welcomed the progress made in the implementation of integrated safeguards, which represented the optimum combination of all safeguards measures to achieve maximum effectiveness and efficiency. Throughout 2008, integrated safeguards had been implemented in 12 EU countries. In another 3 EU countries, integrated safeguards had been implemented for part of 2009 and in 4 further EU countries, integrated approaches had either been developed and approved or were under development. In that context, he drew attention to the safeguards approaches developed under the IAEA/Euratom partnership, reported in paragraph 167 of the SIR, and said that the EU supported the development of integrated safeguards approaches for centrifuge enrichment plants, spent fuel conditioning plants and geological repositories, the last two of which fell under the MSSP.

31. Recalling the Board's 2005 decision that SQPs should remain part of the safeguards system and their standardized text should be modified to reinforce the Agency's safeguards, he urged all States which had not yet amended or rescinded their SQPs to do so as soon as possible.

32. The EU recognized the need to maintain the Agency's capability to provide credible and timely analysis of safeguards samples and, in that regard, the need to modernize the SAL. Some EU Member States were already assisting the Agency in performing analyses of environmental samples and others had offered their services. The EU was in favour of adding new certified laboratories to the NWAL and noted that laboratories in several States were currently undergoing qualification.

33. Mr VALLIM GUERREIRO (Brazil) said that the SIR was factual and objective and avoided potentially controversial value judgments. It differentiated between the conclusions drawn on the basis of the different types of obligations entered into by Member States.

34. He noted with satisfaction that the Safeguards Statement for 2008 concluded that in all States with comprehensive safeguards agreements all declared nuclear material placed under safeguards had remained in peaceful nuclear activities.

35. His delegation regretted that, as of the end of 2008, 30 non-nuclear-weapon States party to the NPT had not yet brought comprehensive safeguards agreements into force as required by Article III of that Treaty, reflecting no improvement in comparison with the preceding year.

36. Brazil had analysed the preparation of the SIR since it had first been issued in 1977 and noted with satisfaction that significant improvements had been achieved over the years in both its structure and content, particularly in sections A and B. The sections of the report were now arranged in a more logical order and he noted with satisfaction that statistical data had been removed from the main text and were now shown separately in the appendix. The current structure made the text easier and more interesting to read.

37. The second bullet of paragraph 101 of section C.1.2 stated that evaluation of additional protocol declarations had been carried out. As that section covered States with comprehensive safeguards agreements but without additional protocols in force, he asked for clarification.³

38. Regarding paragraph 150, he said the successful implementation in 2008 of the short notice random inspection scheme in the Resende fuel fabrication plant in Brazil — the product of cooperation among ABACC, the Agency and the Brazilian safeguards authorities — would enhance the effectiveness of safeguards implementation in that facility.

39. Concerning paragraph 180 on environmental samples, he was pleased to mention that a Brazilian laboratory belonging to the Institute of Radioprotection and Dosimetry of the Brazilian National Nuclear Energy Commission was in the final phase of the certification process to become part of the NWAL for environmental analysis. Currently all the laboratories qualified to be part of the network were in developed countries. Thus, Brazil was among the first developing countries to become part of the network.

40. Regarding section E.4, he stressed that cooperation between the international safeguards system (IAEA), the regional system (ABACC) and the national system, Brazil's National Nuclear Energy Commission had substantially contributed to enhancing the effectiveness and efficiency of the implementation of safeguards in his country. Brazil, which stressed the need for more integration of safeguards implementation at the international and regional levels, attached great importance to cooperation between ABACC and the IAEA with a view to avoiding duplication of safeguards effort in Argentina and Brazil.

41. Mr ARSHAD (Malaysia) said that, as a State signatory to the NPT, his country reaffirmed its commitment to non-proliferation and strongly believed that the Agency was the sole international competent authority for verification of the peaceful uses of nuclear energy.

42. Malaysia had always called for the Agency to be independent and self-sufficient in carrying out its verification activities. In that connection, Malaysia could support the proposed allocation for the project on enhancing the capabilities of the safeguards analytical services in the draft 2010-2011 programme and budget.

43. Malaysia also supported the proposed action by the Agency in continuing to pursue the addition of new certified laboratories to the NWAL system in order to address the delays in environmental sample processing. He announced that Malaysia was in the process of establishing an environmental sample analytical laboratory within the coming five years and expressed the hope that that facility would one day be accredited by the Agency as part of the NWAL.

44. With regard to the implementation of the NPT safeguards agreement in Malaysia to date, Malaysia had received one annual safeguards inspection to the TRIGA Mark II PUSPATI, the country's sole research reactor facility. As a gesture of transparency, Malaysia would continue to provide conditional access to the non-material balance areas for safeguards inspection. Also, Malaysia had approved the issuance of one year multiple entry visas to the appropriate designated safeguards inspectors.

45. In preparation for ratification of the additional protocol, Malaysia had conducted and would continue to conduct, outreach activities and training of the various national authorities and stakeholders.

³ See GOV/2009/24/Corr.2, issued subsequently.

46. In conclusion, he said that in 2008 his country had agreed to the installation of a virtual private network between Malaysia and Agency for the secure transmission of safeguards data. The system had now been successfully installed in Malaysia and at the Permanent Mission in Vienna.

47. Mr FAWZY (Egypt) said that while the SIR contained extensive information on the level of assurance the Agency was able to provide regarding the non-diversion of declared nuclear materials and activities, it remained unable to provide assurances of any kind with respect to countries that had no safeguards agreements with the Agency. Egypt called on those countries to bring into force such agreements.

48. The SIR was unable to provide sufficient assurances with respect to countries known to maintain extensive nuclear activities outside the scope of comprehensive safeguards and, despite the Agency's best efforts, while that continued to be the case the SIR would remain incomplete. Pending attainment of the objective of providing assurances for all activities and materials worldwide, Egypt believed that the SIR should indicate that the Agency was unable to draw conclusions of any kind for extensive nuclear activities and materials that lay beyond the reach of its safeguards. That would serve as a reminder that, no matter how credible the SIR's conclusions, the continued existence of activities and materials outside safeguards meant that the Agency's job was far from done.

49. He welcomed the closure of the issue of safeguards implementation in his country, following the conclusion drawn by the Secretariat in paragraph 45 of the SIR that Egypt's statements were consistent with the Agency's findings and that the issues raised in the Director General's report to the Board of February 2005 were no longer outstanding. Egypt thanked the Secretariat for its efforts in that regard.

50. He expressed his country's satisfaction at the level of cooperation with the Secretariat since 2005, which had been an enriching experience and had provided a better insight into the inner functioning of the Agency. Nonetheless, his country had been surprised that the Agency's statement to the NPT Preparatory Committee had included specific references to a restricted document not yet authorized for publication by the Board and had used language that was substantively different from that used in the SIR.

51. Egypt's experience since 2005 had highlighted the great importance of good faith, cooperation and confidence between the Secretariat and any Member State for the successful implementation of safeguards agreements. It was also important to recall that the sole purpose of safeguards was to verify that source or special fissionable material in peaceful nuclear activities was not diverted to nuclear weapons or other nuclear explosive devices. In that context, he drew attention to two important principles enshrined in comprehensive safeguards agreements: the need to avoid undue interference in a State's peaceful nuclear activities; and the importance of not publishing or communicating information obtained in connection with safeguards implementation.

52. With reference to the HEU and LEU particles found in 2007 and 2008 in samples taken in the course of routine safeguards implementation in Egypt, he said that his country had cooperated with the Agency with a view to clarifying that issue, and the Agency had found Egypt's explanations to be not inconsistent with the Agency's findings. Egypt would continue to cooperate with the Agency in the context of ongoing verification activities.

53. Ms GERVAIS-VIDRICAIRE (Canada) commended the Secretariat for its continued efforts to improve the format and content of the SIR. In particular, she noted and welcomed the addition of more State-specific information, particularly the information on the status of safeguards agreements in Table 1.

54. The SIR continued to paint a very positive picture of the results of the Agency's verification and evaluation activities. Such results were achieved through a high level of cooperation between Member States and the Secretariat and through high levels of transparency in relation to States' activities. That positive overall situation was often overlooked in favour of focusing on problem areas. While problems did need to be addressed — and, if they were significant, on a high priority basis — some routine implementation problems might be resolved more expeditiously if the SIR also highlighted areas of best practice or achievement by States and their respective safeguards authorities.

55. Canada was pleased to note that almost 52% of the 163 States with safeguards agreements in force had both a comprehensive safeguards agreement and an additional protocol in force. Of those 84 States, almost 61% had achieved the broad safeguards conclusion that all nuclear material remained in peaceful activities. Those were significant achievements for the Secretariat and the States involved. The broad safeguards conclusion was a prerequisite for the introduction of State-level integrated safeguards approaches, which were important for improving safeguards efficiency without undermining effectiveness.

56. Her delegation noted that the Agency was making significant progress in enhancing its capabilities to transmit data from the field directly for monitoring and evaluation in Vienna and at regional offices. Remote monitoring was a key element of approaches being applied at facilities in Canada.

57. A cooperative approach among Canada's SSAC, the Agency and the Canadian nuclear industry had led to integrated safeguards being implemented across most sectors of Canada's nuclear fuel cycle. Agreement had recently been reached on a plan that would see integrated safeguards implemented at the Chalk River Laboratories later in 2009, thereby taking the last significant step towards full implementation of the State-level integrated safeguards approach.

58. The SIR noted that the Secretariat was continuing to develop the State-level concept for safeguards, an approach which Canada strongly supported as the basis for a more focused and efficient safeguards system. The challenge remained to determine how to report the Agency's conclusions in a manner that reflected the State-level concept. That would probably require a fundamental change in the SIR, replacing generic information on the number of verification activities undertaken for the year as a whole with more detailed information on activities in each State, including the evaluation results. Such an approach would increase transparency with respect to the use of the Agency's verification resources and would increase confidence in the annual safeguards conclusions drawn for each State.

59. Mr AQRAWI (Iraq), having said that his country supported the Agency's efforts to strengthen the global nuclear safety and security regime and had taken steps to accede to a number of relevant conventions and adopt relevant codes of conduct, said that Iraq also supported Agency efforts to pursue new and more efficient approaches in safeguards, particularly with regard to the development and use of containment, surveillance and monitoring systems. That would save time and effort, reduce the number of inspections and maintain a balance, without discrimination, for all Member States.

60. Iraq was grateful to the Secretariat and a number of Member States for the assistance they had provided for programmes implemented in Iraq, particularly with respect to the decontamination of destroyed Iraqi nuclear facilities. He called on all Member States to assist Iraq in controlling radioactive contamination, to support its cancer therapy programme and to help improve the performance of its regulatory and executive bodies.

61. More than five years had passed since change had occurred in Iraq, and the country was moving towards establishing democratic institutions and addressing the consequences of the imbalanced policies of the former regime. That change had encompassed all issues related to Iraq's disarmament and non-proliferation obligations, particularly in the wake of the destruction of all the country's

former programmes and facilities whether through military operations or by United Nations commissions. Despite Security Council resolution 1762 (2007), which had terminated the mandates of UNMOVIC and the Agency, Iraq had still not recovered its right to undertake peaceful nuclear activities. Such activities continued to be restricted under Security Council resolutions, particularly resolution 707 (1991), which forbade Iraq from undertaking any nuclear activities except for those involving the use of radioactive sources for medical, agricultural or industrial purposes. Those restrictions hampered Iraq's technological development process, especially with respect to the establishment of nuclear programmes for peaceful purposes, and impaired advancement of its development plans.

62. In that context, and in view of the fact that Iraq had met all its disarmament related obligations, his Government called for support towards regaining its full rights as a Member State of the Agency and under the NPT.

63. As part of its efforts aimed at full and transparent cooperation with the Agency, Iraq requested that a new item be included on the Board's agenda in September 2009 on Iraq's cooperation with the Agency and its compliance with the safeguards regime.

64. The DIRECTOR GENERAL said that while he understood Iraq's point of view on the subject of the Security Council resolutions, the matter could be addressed only by the Security Council. Thus, while stressing that Iraq's cooperation with the Agency had in all aspects been excellent, he saw no need for it to be covered by an item on the agenda of the Board. He pointed out that he had previously expressed in public the view that the time had come for the Security Council to lift the restrictions on Iraq. He recommended that Iraq raise the issue with the Security Council, to which he was prepared to report the Agency's view that Iraq had fulfilled all its obligations.

65. Ms MACMILLAN (New Zealand) said that her country supported the conclusion in the SIR that the implementation of additional protocols was essential to improve the effectiveness and efficiency of the safeguards system, particularly with respect to the Agency's ability to detect undeclared nuclear material and activities. Noting that, as of the end of 2008, only 88 of the 163 States with safeguards agreements also had additional protocols in force, she called on all remaining States, particularly those with significant nuclear activities, to implement an additional protocol without delay.

66. New Zealand welcomed the progress made in 2008 on the implementation of integrated safeguards in a number of Member States and looked forward to further achievements in 2009.

67. Mr PAPE (Germany) expressed concern about paragraph 3 of the Safeguards Statement, namely that for 30 non-nuclear-weapon States party to the NPT the Secretariat had not been able to draw any safeguards conclusions because they had not yet brought comprehensive safeguards agreements into force. His country therefore urged the countries concerned to sign, ratify and implement the respective agreements as soon as possible.

68. Germany viewed a comprehensive safeguards agreement together with an additional protocol as being the universal verification standard and so welcomed the entry into force of additional protocols in several new countries in 2008. Also, it appreciated the increasing cooperation between the Secretariat and Member States in implementing integrated safeguards. His country had always been of the view that the concept of integrated safeguards should lead not only to more sophisticated and country-specific implementation of verification activities, but also to budgetary savings in Major Programme 4.

69. His delegation welcomed the increased and fruitful cooperation in 2008 between the Agency and Euratom. Germany and other EU Member States had repeatedly underlined the importance of

such cooperation in order to maintain the traditional high standard of safeguards in the EU. As a regional organization, Euratom was further improving the system of checks and balances between the Agency and Member States.

70. Germany also welcomed the initiative to expand the NWAL and activities in several Member States aimed at qualifying their respective laboratories to become part of that network. Such efforts would help to strengthen the verification regime and improve performance.

71. Germany was appreciative of the figures and explanations provided in the SIR regarding extrabudgetary contributions. Germany, via its MSSP, was contributing in close cooperation with the Secretariat towards such objectives as the development of a next generation surveillance system.

72. Mr LIU Yongde (China) noted with satisfaction the Agency's conclusion that for 51 States all nuclear material remained in peaceful activities and that for 103 States all declared material remained in peaceful activities.

73. The Agency had made significant progress in 2008 in strengthening the effectiveness and efficiency of the safeguards system, including through the expansion of integrated safeguards to more countries, an increase in the number of countries with revised SQPs and improved efficiency of environmental sample analysis.

74. The universal application of comprehensive safeguards agreements and additional protocols played an important role in strengthening the Agency's safeguards system and China supported the Agency in its continued implementation of the action plan to that end. China called on the countries concerned, particularly those with significant nuclear activities, to sign, ratify and implement those agreements without delay.

75. Recent years had seen new developments in the area of non-proliferation and new challenges for the Agency in dealing with verification issues in an impartial, objective and balanced way with limited resources and on the basis of its mandate. Given the Agency's insufficient capabilities in environmental sample analysis, China encouraged the Secretariat to step up its cooperation with Member States by making full use of their resources in that area while ensuring the independence of verification. In August 2007, China had officially joined the MSSP and laboratories in China had applied for accreditation to the NWAL. China would continue its efforts to strengthen the Agency's safeguards system.

76. Mr KONDRATENKOV (Russian Federation) stressed his country's continuing interest in the further improvement of the Agency's verification activities, including universal application of the additional protocol. Russia was concerned that, as of the end of 2008, 30 States party to the NPT had not yet brought safeguards agreements with the Agency into force. It called on those States to fulfil their obligations under the NPT without delay.

77. The Secretariat's efforts to improve safeguards approaches, procedures and technology were a key element of the Agency's verification activities. Russia was actively cooperating with the Agency in that field, including by participating in the MSSP.

78. It was important to improve the procedures for the protection of safeguards confidential information, as referred to in resolution GC(52)/RES/13. He regretted the continued leaking of such information to the media. Such leaks led to unnecessary politicization of the work of the Agency and did not promote confidence in the safeguards system.

79. Mr KRUSE (Australia) said that the provision in the SIR of information that categorized States by their safeguards obligation was helpful as it allowed for reasoned and rational examination of the performance of both the Secretariat and Member States. His country welcomed the Secretariat's

continuing efforts to make the SIR a more accessible and user-friendly document. Reformatting the SIR to move some key tables from the annexes to section B was a welcome change which gave greater prominence to important information on the status of safeguards agreements.

80. Australia was encouraged by the steady growth in the numbers of additional protocols in force, especially among States with significant nuclear activities, and by the expanding number of States for which the Agency had been able to draw the broader safeguards conclusion. It was also pleased that the Agency was now able to implement integrated safeguards in a number of States with large and complex nuclear fuel cycles.

81. The SIR provided detailed information on the efforts of the Secretariat and Egypt to clarify historical issues relating to the application of safeguards in Egypt. That information, and the prominence given to it in the SIR, was a welcome exercise in transparency. Australia noted that steps had been taken to ensure that Egypt's SSAC had sufficient legal authority to fulfil Egypt's safeguards obligations. The ongoing work relating to the discovery of HEU and LEU particles was a matter of continuing interest and Australia looked forward to further information from the Secretariat in that regard.

82. Mr CANCHOLA GUTIERREZ (Mexico) noted with satisfaction the conclusions in the Safeguards Statement that all declared nuclear material in States with safeguards agreements and additional protocols remained in peaceful activities and also regarding the lack of indication of undeclared nuclear material or activities. Mexico encouraged those States that had not yet done so to implement safeguards agreements.

83. His country recognized the Agency's efforts to provide the international community with clear and impartial information on the fulfilment of Member States' safeguards obligations and on the verification of the use of nuclear materials subject to the safeguards regime.

84. Mexico took note of the significant steps made in 2008 to improve the efficiency and effectiveness of Agency safeguards. That progress had been thanks to the application of integrated safeguards, the development of improved safeguards approaches, procedures and technology and the analysis of covert nuclear-related trade. As regards strengthening of the safeguards system, he highlighted the importance of enhancing the effectiveness and efficiency of national and regional accounting and control systems.

85. Ms KAUPPI (Finland) said that the SIR was a compact and informative description of the current situation. She encouraged the Secretariat to continue developing the report's structure so that it better reflected the State level concept in the safeguards implementation and evaluation.

86. Well functioning and cost-effective safeguards were a prerequisite for public trust in and acceptance of the use of nuclear energy in the longer term. In particular, comprehensive safeguards agreements and additional protocols should be implemented in all Member States, since integrated safeguards played an important role in achieving an efficient and effective safeguards system. Referring to section D of the report concerning problem areas in safeguards implementation, she commended the Secretariat on the progress made in resolving some of the problems identified and in implementing short notice random inspection approaches, which were of fundamental importance for flow verification. Finland invited all Member States to pay close attention to section D and to support State systems that required assistance in meeting country-level responsibilities, especially since neither SSACs nor contact points had been established for 13 States with safeguards agreements in force. The area of environmental sample analysis was a source of concern and needed to be addressed by Member States.

87. Speaking on behalf of Finland and Sweden, she underlined the importance of developing safeguards approaches to the back end of the fuel cycle. Policies and strategies for managing spent fuel and radioactive waste were a technically and financially challenging issue. Clearly defined waste management policies and strategies, including solid financing arrangements stipulated in nuclear legislation, were essential requirements for practical progress in nuclear waste management. Both Finland and Sweden had an approved plan for the final disposal of spent nuclear fuel generated in their countries. In Finland, the Olkiluoto site had been selected for the underground final disposal facility. The underground rock characterization facility (ONKALO) at the site was currently being excavated and the tunnel was now 3.6 km long and should be completed during the current year. In Sweden, the Swedish Nuclear Fuel and Waste Management Company, SKB, had selected a site for the geological repository of spent nuclear fuel close to the Forsmark nuclear power plant. It was planned to submit the licence application for the back end facilities to the regulatory authority in 2010 and the Swedish Government would then take its licence decision. The final repositories in both countries were expected to be operational in 2020 and 2023, respectively.

88. She welcomed the integrated safeguards approaches drafted by the Agency for both encapsulation plants and repositories. The Agency's design information questionnaires for the two types of facility were being reviewed and tested by both Finland and Sweden within the framework of the MSSP.

89. Mr NAKANE (Japan) welcomed the Secretariat's conclusion that in 2008 all declared nuclear material continued to be used for peaceful activities and that there were no indications of undeclared nuclear material or activities in 51 States with both comprehensive safeguards agreements and additional protocols. In particular, he noted with satisfaction the conclusion regarding Japan that the Secretariat had found no indication of any diversion of nuclear material or of any undeclared nuclear materials or activities being present.

90. In view of the expected increase in safeguards activities in the future, high priority should be given to enhancing the efficiency of safeguards. The expansion of integrated safeguards was of particular importance in that context. As noted in the report, a site-level integrated safeguards approach had been implemented for the first time in the world at the Japan Atomic Energy Agency's nuclear facilities. He stressed the importance of strengthening the effectiveness of safeguards by studying new approaches such as random interim inspections. Achieving a balance between efficiency and effectiveness should be a key aim.

91. He noted with satisfaction that the report described flow sheet verification activities in Japan. His country would continue to improve its SSAC under strict Agency safeguards to enhance transparency and international trust.

92. The Government of Japan, which strongly supported the Agency's endeavours to strengthen its analytical capacity for safeguards, had made a voluntary contribution of €6.91 million to the Agency's fund in 2008 and had approved the use of approximately €4.5 million from the fund for the acquisition and installation of an ultra-high sensitivity secondary ion mass spectrometer (UHS-SIMS).

93. Ms GOICOHEA ESTENOZ (Cuba) noted with satisfaction the Secretariat's conclusion that all nuclear materials in Cuba were being used exclusively for peaceful applications. She also noted that the Cuban authorities had been implementing an integrated safeguards approach since the beginning of 2009.

94. She expressed concern about the reference in the report to the employment of 15 cost-free experts in the Department of Safeguards. The use of such experts could undermine the Secretariat's independence and breach the principle of equitable geographical distribution. Cuba felt that cost-free experts should not be accepted in such a sensitive area, even to alleviate the problem of budgetary

constraints. It therefore called on the Secretariat to look into the matter and submit proposals to Member States so that they could take the requisite decisions.

95. Cuba reiterated its proposal to introduce an arrangement whereby Member States' contributions to safeguards would be proportional to the quantity and complexity of their inventories of nuclear material, an approach comparable to that of national participation costs in the case of technical cooperation.

96. Mr MULTONE (Switzerland) said that the report was precise, complete and instructive. He noted that attainment of the quantity and timeliness components of the inspection goals for facilities with more than one SQ of nuclear material remained satisfactory in 2008, bearing in mind the explanations provided for enrichment facilities and conversion and fuel fabrication facilities.

97. Noting also that declared nuclear materials continued to be used solely for civilian purposes in all States with a comprehensive safeguards agreement in force, he called on all non-nuclear weapon States Party to the NPT which had not yet concluded such an agreement to do so as soon as possible.

98. The Secretariat estimated that the implementation of integrated safeguards had so far led to savings of 800 person-days of inspection. Switzerland urged the States concerned to analyse the change in workloads, both for operators and for their SSACs, brought about by the implementation of integrated safeguards. The application of such safeguards should be sufficiently effective and efficient to benefit everyone. Referring to the External Auditor's recommendation that the benefits of integrated safeguards in terms of cost reduction should be studied more closely, Switzerland proposed that the scope of the cost-benefit analysis should be extended to the States concerned.

99. The report contained two references to a sum of €10.5 million which had not been spent in 2008 and had been carried forward to 2009. He wondered about the impact of the delay on the implementation of the 2009 safeguards programme and asked whether a portion of the sum in question could be used for essential investments.

100. He thanked the Secretariat for organizing an SSAC training course in Switzerland in 2008 and for the Agency's support for the Swiss State system.

101. Switzerland regarded the Safeguards Statement as the Agency's report on the mission entrusted to it by the NPT. It should not only be factual but also capable of being understood by non-specialists. He therefore asked why States were divided into five groups and enquired about the scope of the voluntary commitments undertaken by the States belonging to the groups in question.

102. Mr LUONGO CÉSPEDES (Uruguay) underlined the right of all countries to use nuclear energy for peaceful purposes and to have access to all relevant technology. He also urged Member States to comply with all the obligations they had voluntarily assumed. They should cooperate with the Agency to that end, especially by facilitating the access of its inspectors to nuclear facilities.

103. Ms DONNA RABALLO (Argentina) said that, while her country appreciated the Secretariat's sustained efforts to promote the effectiveness of the safeguards regime and the substantive contributions of SAGSI, it felt that a great deal more should be done to enhance its efficiency. A review of the criteria governing the current implementation of safeguards and progress in the implementation of integrated safeguards would be useful in that regard. Increased regionalization and a wider distribution of technical and verification capacities, as well as continued training and further training of inspectors, could also render safeguards more effective and efficient. Greater use should be made of existing capacity in organizations such as ABACC for various verification assignments. It was important to exploit the potential of two-way cooperation between the Agency and national and regional safeguards regimes, particularly in the light of recent developments at the State level.

104. Strengthened safeguards had been designed for higher-quality implementation without taking into account the scale and complexity of peaceful nuclear programmes. Although the Agency had a range of powerful tools at its disposal, it tended to overlook existing synergies in implementing verification measures. It might therefore be advisable to review existing concepts and practices and to set clear-cut priorities. Concepts such as the State-level approach and State evaluation could serve as a useful starting point for such a review.

105. Also, the Agency should step up its support for the establishment of solid and sustainable national structures, especially with so called 'newcomers' and States with SQPs.

106. She noted with some concern the trend towards increased reliance on extrabudgetary resources. Although such contributions were to be welcomed, Argentina feared that they might distort the application of safeguards and suggested that the issue be analysed as and when appropriate. In that context, her delegation would have appreciated a more detailed analysis in the report of the sizable budget surplus recorded for 2008.

107. While the improvements in the structure and scope of the report were commendable, Argentina felt that a more far-reaching review of its content and structure should be undertaken in order to assess the large quantity of data provided. It welcomed the fact that the Secretariat was looking into the matter in cooperation with SAGSI.

108. Mr CARON (France) commended the Member States that had completed the formalities in 2008 for the entry into force of a comprehensive safeguards agreement or an additional protocol. France called on all Member States that had not yet complied with the obligation under Article III of the NPT to conclude a comprehensive safeguards agreement to do so as soon as possible.

109. As one of the greatest difficulties encountered by the Agency was the detection of undeclared nuclear materials and activities, the application of an additional protocol was an essential prerequisite for enhancing the effectiveness and efficiency of the safeguards regime. The Agency would be unable to provide the international community with credible assurances about the exclusively peaceful nature of civilian nuclear programmes without universalization of the additional protocol. France therefore called on all States that had not yet done so to sign and implement such a protocol as soon as possible. Also, it invited the States that had not yet done so to take practical steps to bring their SQPs into line with the model protocol approved by the Board in September 2005.

110. Non proliferation crises, and specifically the cases of Iran and the DPRK, not only posed a major challenge to the collective nuclear security system, but they also undermined the relevant legal and technical instruments and challenged the Agency's authority. Member States must therefore show a collective determination to address them effectively. France encouraged further dialogue between the Agency and Syria in order to shed light on the questions raised in the Director General's most recent report. With regard to Egypt, he expressed the hope that the remaining issues regarding the traces of uranium found in 2007–2008 would soon be resolved.

111. With regard to strengthening the effectiveness and improving the efficiency of safeguards, the report referred to the important role played by SSACs and RSACs in safeguards implementation. In that connection, France welcomed the fact that the joint statement by the Agency and the European Commission of 7 May 2008 had led to an agreement concerning partnership arrangements in the context of the application of integrated safeguards in the States of the European Union. It was to be hoped that the discussions regarding similar arrangements for four centrifuge enrichment plants in the European Union would result in the application of Agency safeguards to all the plants in question.

112. He welcomed the launching of a long-range strategic planning process for the Department of Safeguards and also the progress made in implementing integrated safeguards, which had led to significant savings in terms of inspection days in 2008.

113. With regard to chemical analysis and expertise capabilities, France supported the Secretariat's efforts to find a balanced solution between the use of its own resources at the Safeguards Analytical Laboratory in Seibersdorf and those available to it within the NWAL system. The French laboratories that already assisted the Agency in analysing environmental samples were currently undergoing qualification to enable them to strengthen the Agency's analytical capabilities.

114. France supported other activities to strengthen safeguards through, for example, SAGSI, or in the field of analysis of covert nuclear trade where it had recently helped to organize a workshop of experts to improve the Agency's capability. It would continue to offer assistance to the Agency through its safeguards support programme, which was one of the most substantial in terms of contributions in cash and in kind.

115. Mr DRAPER (United Kingdom) welcomed the increase since 2007 in the number of States with comprehensive safeguards agreements and additional protocols in force, and the increase in the number of States for which the broad conclusion had been drawn. The United Kingdom looked forward to that trend continuing so that such safeguards coverage and broad conclusions became the norm. That would not only give the international community greater assurance about the peaceful nature of States' nuclear programmes, but also enable greater efficiency in safeguards implementation through the wider introduction of integrated safeguards.

116. The United Kingdom welcomed the fact that integrated safeguards were now being implemented in 25 States and urged the Secretariat to continue its efforts in that regard, particularly for States with significant nuclear activities.

117. While commending the savings of approximately 800 person-days of inspection that had been made by the implementation of integrated safeguards, he noted that integrated safeguards were possible only for States that had both a comprehensive safeguards agreement and an additional protocol in place. It was regrettable that 26 non-nuclear-weapon States did not yet have a comprehensive safeguards agreement in force with the Agency. The United Kingdom urged States that had not yet done so to conclude and bring into force comprehensive safeguards agreements and additional protocols as soon as possible.

118. Effective and efficient safeguards required high calibre inspectors. Through its MSSP, the United Kingdom trained Agency inspectors in a wide variety of safeguards skills. It encouraged other States to assist the Agency with training and to put forward high quality personnel to work for the Agency as safeguards inspectors.

119. Mr GUMBI (South Africa) echoed concerns expressed about the 26 non-nuclear-weapon States party to the NPT that had still not brought into force comprehensive safeguards agreements with the Agency as required by Article III of the Treaty and for which, as a result, no safeguards conclusions could be drawn.

120. The Agency needed to have appropriate tools to provide assurances to the international community that declared nuclear material worldwide was fully accounted for, that nuclear capabilities were being used exclusively for peaceful purposes and regarding the absence of undeclared nuclear materials and activities.

121. In view of the increasing challenges to the safeguards regime through the danger of theft or loss of nuclear materials and the threat of nuclear terrorism, weaknesses in the system needed to be addressed without delay. One of the mechanisms already available to do that was the additional

protocol, an indispensable instrument enabling the Agency to provide the necessary assurances that nuclear capabilities were applied solely for peaceful purposes. With more than 100 Member States still not having concluded an additional protocol, every effort should be made to take that process forward.

122. South Africa, for its part, would continue to support activities aimed at strengthening and developing the Agency's verification capabilities to provide assurances about the peaceful nature of nuclear programmes.

123. Mr NECULĂESCU (Romania), having emphasized that the peaceful use of nuclear energy should be based on full compliance with the NPT and transparency in nuclear programmes, said that a strong international safeguards system was essential in light of the current nuclear renaissance.

124. His country was committed to all efforts aimed at preventing the proliferation of nuclear technologies that might be misused. In that context, the comprehensive safeguards agreement together with the additional protocol was the current Agency verification standard. Commending the Agency's dedication and commitment to strengthening its safeguards system, he said that universalization of the additional protocol was particularly important as it provided the Agency with important tools to verify the absence of undeclared nuclear materials and activities.

125. The SIR for 2008 placed Romania among those Member States for which the Agency had concluded that all nuclear material remained in peaceful activities. Moreover, integrated safeguards were already in place in Romania and short notice random inspections had been implemented there in 2008. He stressed the importance of further progress towards the implementation of integrated safeguards in Member States. The conclusions drawn by the Agency in relation to Romania attested to his country's long-standing commitment to the peaceful use of nuclear energy and to continuing along that path.

126. Ms AMOAH (Ghana) commended the Agency for the progress reported in the SIR with respect to strengthening the effectiveness of safeguards, including the implementation of integrated safeguards. Amongst other things, her country welcomed the expansion in the procurement outreach initiative and the voluntary provision of information on nuclear technology-related enquiries and export denials by several States, which complemented other safeguards information and supported the Agency's verification activities and State evaluation process.

127. Ghana was pleased with the Secretariat's conclusions that all declared nuclear material remained in peaceful activities and commended those countries that had brought into force additional protocols. She expressed her country's concern over the Secretariat's inability to draw safeguards conclusions in countries which were not implementing comprehensive safeguards agreements. Ghana therefore invited States that had not yet done so to conclude and implement such agreements and additional protocols.

128. Mr PYATT (United States of America) said that, in a recent speech, President Obama had presented a vision of progress towards a world without nuclear weapons. Moving forward on that path would require strengthening of the NPT, including more authority to strengthen international inspections. In order to increase the effectiveness of its safeguards, the Agency needed the authority provided by a comprehensive safeguards agreement and an additional protocol, but progress in universalizing those instruments seemed to be slowing. In January 2009, his country had brought into force its own additional protocol containing all the provisions of the Model Additional Protocol, making an exception only for locations and activities of direct national security significance. Additional protocols were now in force in over 90 States, but the full benefit to the non-proliferation regime would not be realized until it was universal. He urged all States that had not done so to bring into force an additional protocol at the earliest opportunity.

129. The SIR indicated that a number of issues previously reported to the Board with respect to safeguards in Egypt had been resolved. The United States welcomed the Agency's work in addressing those issues, as well as Egypt's cooperation, and looked forward to similar cooperation in resolving any additional questions arising from the results of environmental sampling. The resolution of questions had to be a part of any verification system, and the transparency provided by the SIR helped the international community to understand and have confidence in the safeguards system.

130. The United States supported Iraq's request for a new agenda item in September on Iraq's cooperation with the Agency and its compliance with the safeguards regime.

131. Despite improvements, there were areas where more work was needed to enhance the transparency of the SIR. The level of transparency required in describing the effectiveness of integrated safeguards implementation had not been achieved. Instead of the detailed analysis of quantity and timeliness goals that had been available under conventional facility specific safeguards, the SIR for 2008 again described only a few generic State level objectives. The SIR for 2008 contained a great deal of additional factual data for each of six categories of States, focusing on the types and levels of safeguards activities performed. While interesting and useful, those data did not provide real information on whether the technical objectives of safeguards were being achieved and said little about the actual effectiveness of implemented safeguards. For example, the fact that "material balance evaluations ... were performed" gave no indication whether the evaluations had been performed for all bulk-handling material balance areas, that material balance uncertainties had been consistent with international standards, or that significant amounts of material had not been unaccounted for. The overall State level objective of detecting diversion depended on the accomplishment of such technical objectives.

132. The United States had consistently supported SAGSI's advice that the Secretariat should elaborate the very general objectives identified in the SIR into more specific technical objectives that could serve to assess safeguards activities. The Secretariat and SAGSI should continue to work to increase the transparency of safeguards in that area.

133. His Government commended the Secretariat for its efforts in implementing safeguards, for the good information contained in the SIR and for progress in implementing integrated safeguards.

134. Mr PARK Chung-Taek (Republic of Korea)* noted with interest that there was no indication of the diversion of nuclear material or activities subject to relevant safeguards agreements in the Safeguards Statement for 2008. The Agency had been able to draw the broader conclusion for 51 States. While his country welcomed the positive findings for the States in question, the considerable number of States outside an effective safeguards framework should not be overlooked; 30 non-nuclear-weapon States party to the NPT had yet to conclude a comprehensive safeguards agreement with the Agency and many more States were without an additional protocol. Those two instruments were indispensable for a robust safeguards regime and efforts to universalize them should be continued. The additional protocol, in particular, was a key safeguards standard that would aid the Agency's ability to draw a broader conclusion on any nuclear activities at the State level. Thus, the Republic of Korea hoped that all States that had not yet done so would take steps to conclude one without delay.

135. The SIR made it clear that there was much unfinished work, including evaluations of 33 States with an additional protocol. His country encouraged the Secretariat to fully realize the potential of concluded additional protocols and make every effort to complete safeguards assessments in a timely manner. The Republic of Korea strongly supported the Agency's various efforts to strengthen the effectiveness and efficiency of safeguards through the implementation of integrated safeguards and

enhancements in such areas as cooperation with SSACs and RSACs. His Government would continue its efforts to further strengthen its SSAC in close cooperation with the Agency and under its MSSP.

136. The SIR rightly identified several problem areas in safeguards implementation. The Republic of Korea supported enhancement of the SAL and expansion of the NWAL to expedite environmental sample processing. His Government had contributed \$300 000 to upgrade the SAL infrastructure at Seibersdorf. Furthermore, the Korea Atomic Energy Research Institute was preparing to qualify for inclusion in NWAL so as to contribute to the Agency's environmental sample analysis capability.

137. Illicit trafficking in nuclear material constituted a significant challenge to an effective safeguards system. It was of great concern that the Agency continued to receive reports of illicit trafficking in nuclear material and other unauthorized activities involving nuclear material. As that had a direct impact on the global nuclear non-proliferation regime and overall nuclear security, a comprehensive approach should be continued at various levels in order to address adequately a problem that no single State was in a position to resolve.

138. Given the fact that resources were limited, the Republic of Korea hoped to improve the cost-effectiveness of safeguards related activities by focusing on R&D in the framework of the MSSP and sharing the results. Having participated actively in the MSSP since 1998, his country had already begun to harvest the fruits of such cooperation. For example, the Korea Institute of Nuclear Non-Proliferation and Control had developed the optical fibre radiation probe system in 2008. One such system had been contributed to the Agency and was expected to be used in the verification of spent fuel at the CANDU reactor. The third additional protocol regional technical meeting had been held in Daejeon in 2009 and a further 13 MSSP projects were in progress. Such efforts would contribute to the expansion of a safeguards culture, strengthen SSACs and improve the overall effectiveness of safeguards implementation.

139. Mr MICHAELI (Israel)*, having thanked the Secretariat for the SIR for 2008, requested that the reference to his country in paragraph 37 be deleted because it was not based on evidence and was not in line with long-standing Agency practice.

140. Mr HEINONEN (Deputy Director General for Safeguards) thanked members for their comments and suggestions and said they would be studied in detail and used in the further development of safeguards approaches and when preparing the SIR for 2009.

141. With regard to the unused funds from 2008 and referring to Figure 7 of the SIR, he explained that the preceding four years had revealed a tendency for more money to be used in the second year of a biennial cycle than in the first, although the reverse had been true prior to that. There were several reasons for unused funds in 2008. There had been a delay in the commissioning of the Rokkasho Reprocessing Plant, and real savings had been made there because the laboratory costs had been lower than anticipated and a number of inspections had not been conducted. Those costs would naturally not be incurred in 2009 either. Some activities had been deferred, for example some of the larger software procurement orders under the ISIS Re-engineering Project had not been completed in 2008 as planned, but would be completed in 2009. Similarly, there had been a delay in the Japan mixed oxide fuel fabrication plant (JMOX) project, leading to issues over the timing of procurement. It did not make technical sense to purchase items before they were needed, but that money would be spent in the future — either in 2009 or 2010. The Chernobyl project had also been delayed. These all together accounted for approximately €9.5 million carried over from 2008.

142. Turning to issues raised over the number of cost-free experts, he said that the Department of Safeguards had more than 800 people on its payroll, including 15 cost-free experts paid through extrabudgetary funding. The easiest way to resolve the problem would be to ensure adequate funding from the Regular Budget. Those experts had to sign a confidentiality undertaking and were not part of

day-to-day safeguards implementation. They worked in such areas as the development of equipment and instruments, software and security measures, training exercises, the research into new technologies and quality management. Such experts were necessary and they all had specific missions.

143. The points raised by Canada and Australia as regards the structure of the SIR were valid, especially in relation to the explanation of integrated safeguards. In 2009, more than 80 States had comprehensive safeguards agreements and additional protocols in force, and the number of States where integrated safeguards were being implemented was expected to double by the end of the year, meaning that most of the SIR for 2009 would be dedicated to that. It was difficult to respond to requests for greater transparency as they could be addressed in various ways. One way was to explain the process, and another was to explain the findings and perhaps present the results for each individual State. The Secretariat would welcome any concrete suggestions to that end.

144. He welcomed the indications made by several members that they would participate in the NWAL, since the use of additional capabilities, laboratories and expertise brought new perspectives to the process. Participation in the NWAL, however, was a fairly expensive undertaking, especially the development of particle analysis capabilities, which represented the most pressing need. The Department of Safeguards did not have any funding to assist in such investments. Nevertheless, efforts had been made to reduce the number of samples for analysis, which had dropped from over 800 in 2005 to 350 in 2008. The Agency would never have the capabilities to analyse all the samples on its own, so the NWAL was very important.

145. The CHAIRPERSON, summing up, said that the Board had expressed its appreciation for the Agency's dedication and commitment to worldwide efforts to strengthen the safeguards system as reflected in the SIR.

146. Several members had commended the Secretariat for its efforts in improving the format and content of the report, and some suggestions had been made for its further improvement in the future. Some members had requested further clarifications on certain issues in the report.

147. Several members had welcomed the provision of more State-specific information and had commented on the State-specific information provided.

148. Several members had expressed concern over the public disclosure of information contained in the report prior to Board authorization and had requested that the Secretariat identify additional measures to avoid the leakage of sensitive and confidential information.

149. The Board had noted the conclusions drawn for various categories of States in accordance with their safeguards undertakings with the Agency.

150. Several members had expressed regret that 26 States Party to the NPT had not yet brought into force comprehensive safeguards agreements, and that there were still 105 States without an additional protocol in force. Appreciation had been expressed for the Agency's outreach activities to redress those concerns.

151. A view had been expressed that the report would remain incomplete as long as it was unable to provide assurances that all nuclear activities and materials worldwide were declared, safeguarded and peaceful.

152. Several members had encouraged all States to sign, ratify and implement additional protocols and to undertake the necessary steps to bring comprehensive safeguards agreements into force without delay. They had emphasized that comprehensive safeguards agreements together with additional protocols were the current safeguards verification standard and had called for the universality of the additional protocol.

153. Concerned States had been encouraged to take steps towards the rapid implementation of the modified SQP.

154. Wide-ranging views had been expressed regarding the Agency's verification activities relating to, for example, the Agency's efforts to expand its NWAL for environmental sampling, challenges facing the SAL, the use of cost-free experts in safeguards activities, improving the effectiveness and efficiency of the safeguards system, the Agency's efforts to assist in establishing SSACs, and progress in the implementation of integrated safeguards.

155. Appreciation had been expressed for the cooperation between the Agency and SSACs and RSACs (including Euratom and ABACC) and it had been requested that that cooperation be strengthened and expanded.

156. She assumed that the Board wished to take note of the Agency's SIR for 2008 and authorize the release of the Safeguards Statement for 2008 and of the Background to the Safeguards Statement and Summary.

157. It was so decided.

The meeting rose at 6:05 p.m.