

IAEA Board of Governors

Record of the 1243th Meeting
GOV/OR.1243

Assurance of Supply

Derestriction of documents of the Board of Governors

Board of Governors

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Record of the 1243rd Meeting

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¹ GOV/2009/42.

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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 THERESKA		Albania
Mr KHELIFI		Algeria
Ms DONNA RABALLO		Argentina
Mr SHANNON	}	Australia
Mr KRUSE		
Mr VALLIM GUERREIRO		Brazil
Mr SOULAMA		Burkina Faso
Ms GERVAIS-VIDRICAIRE		Canada
Mr LIU Yongde		China
Ms GOICOCHEA ESTENOZ	}	Cuba
Mr CODORNIU PUJALS		
Mr GARCÉS-BURBANO		Ecuador
Mr FAWZY		Egypt
Ms KAUPPI		Finland
Mr CARON		France
Mr LÜDEKING		Germany
Ms AMOAH		Ghana
Mr KUMAR		India
Mr ALSHARIA		Iraq
Mr COGAN		Ireland
Mr NAKANE		Japan
Mr MAKSIMOVAS		Lithuania
Mr SALAM		Malaysia
Mr FUENTES SÁNCHEZ		Mexico
Ms CROWLEY		New Zealand
Ms LACANLALE		Philippines
Mr FERUTĂ		Romania
Mr BERDENNIKOV		Russian Federation
Mr AL-TAIFI		Saudi Arabia
Mr MINTY	}	South Africa
Mr GUMBI		
Mr DE GUZMÁN MATAIX		Spain
Mr MARFURT		Switzerland
Mr ÇELIK	}	Turkey
Ms DARAMA		
Mr SMITH		United Kingdom of Great Britain and Northern Ireland
Mr PYATT		United States of America
Mr BARROS OREIRO	}	Uruguay
Mr VEDOVATTI RAFFO		

Attendance (continued)

Mr ELBARADEI
Mr ANING

Director General
Secretary of the Board

Representatives of the following Member States also attended the meeting:

Angola, Austria, Azerbaijan, Belarus, Belgium, Bulgaria, Chile, Croatia, Czech Republic, Denmark, Estonia, Ethiopia, Guatemala, Holy See, Indonesia, Islamic Republic of Iran, Israel, Italy, Jordan, Kazakhstan, Kenya, Republic of Korea, Kuwait, Latvia, Lebanon, Libyan Arab Jamahiriya, Malta, Morocco, Namibia, Netherlands, Norway, Oman, Pakistan, Peru, Poland, Qatar, Senegal, Serbia, Singapore, Slovakia, Slovenia, Sri Lanka, Sudan, Sweden, Syrian Arab Republic, Thailand, Tunisia, Ukraine, United Arab Emirates, Bolivarian Republic of Venezuela, Vietnam, Yemen and Zimbabwe.

Abbreviations used in this record:

EU	European Union
HEU	high-enriched uranium
IRRS	Integrated Regulatory Review Service
LEU	low-enriched uranium
NEA	Nuclear Energy Agency (of OECD)
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NSF	Nuclear Security Fund
Rosatom	State Nuclear Energy Corporation of the Russian Federation
UNSC	United Nations Security Council

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

6. Assurance of supply (continued)

(a) Proposal by the Director General for the Establishment of an IAEA Low Enriched Uranium (LEU) Bank
(GOV/2009/30)

(b) Russian Federation Initiative to Establish a Reserve of Low Enriched Uranium (LEU) for the Supply of LEU to the IAEA for its Member States
(GOV/2009/31)

(c) Document by Germany on “Establishing an independent access to nuclear fuel cycle services – the Multilateral Enrichment Sanctuary Project (MESP)”
(GOV/2009/32)

1. Mr MARFURT (Switzerland) said that his country was pleased that none of the three proposals submitted for the present agenda item called into question the inalienable right of States under Article IV of the NPT.

2. The purpose of the proposals was to address problems resulting from nuclear fuel supply interruptions not linked to technical or commercial considerations and hence presumably of a political nature. It followed that one could not rule out the possibility of political pressure being brought to bear on the Director General when he was assessing the circumstances that had prompted a State to submit a request for LEU.

3. As the proposals were motivated primarily by non-proliferation considerations, it should be recalled that concrete results in the nuclear disarmament area constituted one of the best guarantees of non-proliferation. That had been made clear by the Director General.

4. His country was in favour of the establishment of an IAEA LEU bank. However, it believed that the notion of a supply disruption should be defined more clearly; the supply of fuel for a reactor's first core should also be covered by the envisaged mechanism. To ensure the viability of the IAEA LEU bank and to limit the costs for the Agency, it should be ensured that the proceeds of sales at the market price covered the purchase costs, administrative expenses and stock replenishment expenses.

5. Having access to LEU was of little help if a country had no access to fuel element fabrication services. The Agency should therefore ensure — before the IAEA LEU bank was established — that a fuel element fabrication enterprise would undertake, at its request, to fabricate the necessary assemblies.

6. As regards safeguards, it would be necessary to specify the type of subsidiary arrangement desired in each case.

7. The proposal of the Russian Federation regarding the establishment of an LEU reserve was interesting in several respects. For example, the storage costs would be borne by the Russian Federation and the LEU would be sold at the market price.

8. As in the case of the proposed IAEA LEU bank, however, his country believed that the supply of fuel for a reactor's first core should be covered by the envisaged mechanism.

9. His country also believed that, once the legal modalities had been settled, the Board should not intervene in delivery decision-making, which should be left to the Director General. However,

subparagraph 27.1) in document GOV/2009/31 created the impression that requests for LEU might be submitted to the Board. His delegation would appreciate clarification regarding that point.

10. In Switzerland's view, a State that acquired LEU through the Agency should be free to decide what to do with it after it had been used — obviously still within the framework of utilization for civilian, peaceful purposes.

11. The Agency should regularly take steps to ensure that the LEU in the reserve was available at short notice. Also, it would have to ensure that the necessary fuel elements could be fabricated at all times.

12. Regarding the German proposal, which had many advantages, it would be necessary to find ways of inducing governments to participate in the envisaged industrial project at a time when there was sufficient enrichment capacity to meet the market demand. One way might be to invite participation in an existing enrichment facility.

13. As the IAEA LEU bank and LEU reserve could be regarded as insurance against a highly improbable event, it was essential to minimize their financial impact on the Agency and to ensure that the costs were proportionate to the expected benefits. In the final version of the two proposals, therefore, the Director General should provide all necessary clarifications relating to their administrative and financial implications, as required by Rule 34 (Proposals Involving Expenditure) of the Board's Provisional Rules of Procedure, and their consistency with the Agency's work programme and medium-term strategy.

14. Mr LIU Yongde (China) said that the security of nuclear fuel supplies was an important issue for any country wishing to launch a nuclear power programme.

15. China, which had for a long time been encouraging other countries to use nuclear energy for peaceful purposes and engage in international cooperation to that end in accordance with their non-proliferation obligations, welcomed the proposals before the Board for the establishment of multilateral LEU supply assurance mechanisms. At the same time, it had noted that some countries had doubts about the proposals.

16. In all three proposals it was stated that none of the legitimate rights of Member States would be affected, but, given the aforementioned doubts of some countries, all interested parties should scrutinize the political, legal and technological aspects of the proposals with a view to ensuring that the legitimate rights of Member States were upheld.

17. China looked forward to the submission to the Board of revised proposals that could serve as the basis of a universally acceptable solution.

18. Mr FUENTES SÁNCHEZ (Mexico) said that his country was closely following the initiatives aimed at promoting the multilateralization of nuclear fuel cycle activities with a view to strengthening controls and preventing the diversion of nuclear material.

19. Mexico, which had been engaging in nuclear power generation for some years, might in the medium or long term build further power reactors, and it was therefore interested in the proposals before the Board for the establishment of nuclear fuel supply assurance mechanisms.

20. The three proposals before the Board, which were complementary, should be examined with a view to the establishment of a universal equitable mechanism guaranteeing supplies of nuclear fuel and contributing to nuclear non-proliferation. Access to the fuel should be non-discriminatory and should not be influenced by political considerations, and the inalienable rights of all countries

enshrined in Article IV of the NPT should be fully respected. The Agency should be closely involved in the running of the mechanism.

21. Although the three proposals before the Board met some of those conditions, Mexico had a number of questions regarding them and therefore looked forward to examining their technical, legal and financial details.

22. Ms LACANLALE (Philippines) said that her country, which was seriously considering the development of a nuclear power programme, was very interested in the proposals before the Board.

23. The Philippines was in favour of a multilateral approach to the nuclear fuel cycle, with the Agency playing a central role. In its view, such an approach would benefit States by providing assurance of supply options while strengthening the non-proliferation regime. Both the proposal for the establishment of an IAEA LEU bank and the proposal for the establishment of an LEU reserve demonstrated the growing recognition of the importance of a multilateral approach.

24. It was clear from the statements made so far that the consultation process should continue, in order to clarify issues and address the concerns of Member States, and the views expressed should be taken into account in the preparation of detailed proposals, which should be done in a transparent manner.

25. The future consultations should cover issues such as: the long-term financing, the economic sustainability and the commercial competitiveness of the IAEA LEU bank; further clarification of the conditions under which States could obtain LEU; the undertakings to be entered into by States wishing to obtain LEU; the modalities for selection of the host State; the form and content of the necessary legal instruments; the institutional arrangements that might be needed at the State level and the international level; and ways of ensuring the physical security of the multilateral facility and the nuclear material it contained.

26. The resulting mechanism or mechanisms should be such that no State or group of States could exercise monopolistic control over the fuel supplies.

27. Mr THERESKA (Albania) said that his country wished to launch a nuclear power programme in the near future and Albanian institutions were cooperating closely with the Agency in the drafting of a realistic energy strategy.

28. In Albania's view, the proposal for the establishment of an IAEA LEU bank was a sound one and Albania hoped that it would be implemented in due course.

29. Mr NAKANE (Japan) said, with regard to the proposal for the establishment of an IAEA LEU bank, that it would be important to examine issues such as the legal and financial aspects of the bank's establishment and operation, and, in particular, which country should host the bank and the scope of the legal and financial liability of the Agency and the host country.

30. As regards Russia's proposal for the establishment of an LEU reserve, Japan greatly appreciated some of its key elements — particularly the fact that the storage facility with the LEU reserve would be under Agency safeguards and the fact that all associated costs would be borne by the Russian Federation. In Japan's view, the proposal was a good basis for constructive discussions in the Board.

31. In 2006 his country had proposed an IAEA Standby Arrangements System for the Assurance of Nuclear Fuel Supply (INFCIRC/683). As its proposal was complementary to the proposals now before the Board, Japan would elaborate on it in the light of the current discussions.

32. Ms DONNA RABALLO (Argentina) said that it was important for assurance of supply proposals to recognize the right of States to develop and use nuclear technology for peaceful purposes.

Such proposals tended to be based on the idea that the development of a nuclear fuel cycle was inherently proliferative. They should dissociate themselves clearly from that idea.

33. In addition, all such proposals should make it clear that countries could be suppliers and purchasers of LEU simultaneously.

34. Her delegation had doubts about some of the terms used in documents GOV/2009/30 and 31 — for example, the term “market price”.

35. In Argentina’s view, with any assurance of supply mechanism the same safeguards, safety and security standards should be applied to all interested countries.

36. The proposal for the establishment of an IAEA LEU bank was insufficiently clear on issues such as the transfer of ownership of and responsibility for the LEU, including the necessary associated safeguards and physical protection measures, and cases of LEU transit through third countries.

37. As regards paragraph 18 of document GOV/2008/30, in Argentina’s view it was right that the Director General should have the freedom of action envisaged there, but in the interest of the Agency’s well-deserved reputation for impartiality it was important that the Board be regularly informed in detail of the transactions that had taken place.

38. As regards subparagraphs 16 (a) and 17 (a), by whom and how would it be determined whether a supply disruption was unrelated to technical or commercial considerations?

39. In footnote 7 in document GOV/2009/30, it was suggested that the envisaged LEU supply assurance mechanism might in due course be extended to include the supply of fuel assemblies. In such an event, it would be important not to favour certain fuel element and power reactor types.

40. With regard to the proposal made by the Russian Federation, her country particularly appreciated the fact that it did not envisage the imposition of conditions relating to the development of nuclear technology and that there was no intention of impacting international cooperation and trade. However, Argentina had questions about the transport of the LEU, and particularly about the arrangements for transit through countries adjacent to the State in which the LEU reserve was located. Also, more details regarding reliability and costs would have been welcome.

41. From document GOV/2009/32, Argentina gathered that Germany envisaged a greater geographical spread of uranium enrichment plants that would be under Agency supervision.

42. Argentina was unhappy about the phrase “proliferation risk involved in creating national enrichment capabilities” in that document. As regards paragraph 6 of the document, it was unclear to her delegation how the Enrichment Company would “establish and maintain a buffer stock or a physical reserve of nuclear fuel available to the Director General”.

43. Mr CORDONI U PUJALS (Cuba) said that the question of assurance of supply, given its complexity and sensitivity, called for very detailed analysis and open, inclusive and transparent negotiations, and the final decisions should be taken by the General Conference.

44. Regarding the proposal for the establishment of an IAEA LEU bank and the proposal made by the Russian Federation, the eligibility criteria were a very sensitive issue. In particular, Cuba could not agree that a Member State should be considered ineligible if a specific report relating to safeguards implementation in that Member State was under consideration by the Board.

45. The existence of LEU banks would not provide a genuine assurance of nuclear fuel supply for most countries, since what they required was fuel elements, which were specific to each reactor type

and the technologies for the fabrication of which were protected by industrial property laws. Perhaps the time had come to promote the transfer of those technologies by the companies that possessed them.

46. A serious cost-benefit analysis should be made in order to assess the extent to which physical and human resources should be channelled into something apparently of rather little practical value. Implementation of the Russian Federation's proposal would have the major advantage of not involving the Agency in additional costs, so one should perhaps focus on implementing that proposal rather than the proposal for the establishment of an IAEA LEU bank, given the serious budgetary constraints currently faced by the Agency.

47. Cuba had reservations regarding Germany's proposal, since it did not consider that the Agency should become involved in uranium enrichment with a view to competing in the market. In its view, such involvement was not covered by Article III.A.7 of the Statute.

48. Mr ALSHARIA (Iraq) said that his country, which greatly appreciated the Director General's efforts to create additional nuclear fuel supply options for Member States, believed that the existence of supply assurance mechanisms should not be used as a justification for denying Member States the right to acquire nuclear fuel cycle capabilities of their own.

49. In Iraq's view, the establishment of an IAEA LEU bank would benefit Member States, especially developing ones, wishing to embark on nuclear power programmes and would also strengthen the non-proliferation regime.

50. The Russian Federation's initiative relating to the establishment of an LEU reserve and Germany's proposal relating to a Multilateral Enrichment Sanctuary Project merited further study.

51. Mr GUMBI (South Africa), having welcomed the proposals before the Board, said that, in his country's view, the establishment of credible mechanisms for ensuring reliable supplies of nuclear fuel should involve the Agency.

52. South Africa, which looked forward to in-depth and inclusive discussions on the supply assurance issue, was pleased that the proposals before the Board did not envisage restrictions on Member States' activities relating to the nuclear fuel cycle. That feature of the proposals was especially important for those Member States which had made a legally binding commitment not to pursue a nuclear weapons programme. South Africa agreed with President Obama that "no approach to non-proliferation will succeed if it is based on the denial of rights to nations that play by the rules".

53. South Africa, which was restricting the export of and maintaining a strategic stockpile of unprocessed uranium, was closely following the discussions relating to assurances of nuclear fuel supply, the availability of fuel fabrication services and other aspects of the nuclear fuel cycle. In its view, what was needed were reliable, equitable nuclear fuel supply arrangements that would not add to the risk of nuclear weapons proliferation. States should have reliable access, at a reasonable cost, to fuel for their civilian reactors.

54. All issues relating to the nuclear fuel cycle were extremely sensitive and needed to be approached with caution, but also with transparency and inclusively. The availability of nuclear fuel on the market and the existence of supply assurance mechanisms might lead to a State's deciding not to pursue domestic fuel cycle capabilities, but the decision remained a sovereign one. Under no circumstances should proliferation concerns result in unwarranted restrictions in and controls over the legitimate peaceful uses of nuclear energy. Whatever the outcome of the current discussions, it would have to respect the choices of States and protect their inalienable right to the peaceful utilization of nuclear energy, consistent with their non-proliferation obligations.

55. Ms DARAMA (Turkey) said that her country was prepared to consider the proposals under discussion and help to elaborate non-discriminatory arrangements that would ensure uninterrupted nuclear fuel supplies based on objective criteria and would not undermine the right of Member States under the NPT to develop their own nuclear fuel cycle capabilities.

56. Participation in such arrangements should be voluntary, and their existence should never be used as a justification for hindering the transfer of relevant technologies to Member States that had launched or were planning to launch a nuclear power programme.

57. Nuclear fuel supply mechanisms should serve as a backup to the well-functioning nuclear fuel market and not be capable of disrupting or replacing it. They should provide an additional option for Member States that needed to be certain that they would be able to obtain nuclear fuel in a predictable, stable and cost-effective manner over a long period.

58. In order that undue interference might be excluded, nuclear fuel production and storage facilities should not be under the control or jurisdiction of any State or group of States. The sole plausible option was that supply assurance mechanisms should be managed by the Agency. However, no additional financial burden should be imposed on Member States not interested in and/or not benefiting from the mechanisms. The costs to the Agency should be borne by those Member States which were interested in the mechanisms and those which benefited from them.

59. Mr VEDOVATTI RAFFO (Uruguay) said that all countries that complied strictly with the undertakings entered into by them within the framework of the Agency had the right to use nuclear energy for peaceful purposes and to acquire or develop the related technologies.

60. Ms AMOAH (Ghana) said that her country, which was planning to launch a nuclear power programme, had no intention of embarking upon enrichment and reprocessing activities; the fuel cycle strategy likely to be followed in its nuclear power programme was the once-through cycle. Ghana would therefore welcome the establishment of an Agency-administered LEU bank for ensuring regular supplies of nuclear fuel.

61. In Ghana, hydro-electric power generation was sometimes disrupted by low water levels, and on such occasions it would be useful to have an uninterrupted flow of electricity generated by a nuclear power reactor reliably supplied with fuel.

62. Ghana was pleased that all three proposals under discussion upheld the right of Member States complying with their safeguards obligations to establish and expand nuclear fuel cycle capacities meeting Agency safety and security requirements for the use, handling, storage and transport of nuclear fuel. However, they failed to address issues relating to the supply of uranium hexafluoride to a Member State fabricating fuel elements with a specific design for a nuclear power plant owned and operated by a Member State with no fuel fabrication capabilities. Nor did they address the issue of returning spent fuel to the original supplier in order to avoid long-term storage in the Member State operating the nuclear power plant. The proposals would benefit from in-depth examination.

63. Mr SMITH (United Kingdom) said that his country was grateful to the Director General and the Secretariat for again bringing the assurance of supply issue before the Board. The establishment of an LEU bank was not a new idea — it had been envisaged in the Statute. However, the fresh attention being given to the issue could produce an outcome of benefit to all Member States.

64. Successful implementation of a supply assurance mechanism would help to create and sustain an environment in which States could take full advantage of the benefits of nuclear energy, as envisaged in Article IV of the NPT, while the associated proliferation risks were minimized.

65. The International Nuclear Fuel Cycle Conference held in London in March 2009 (INFCIRC/758) had provided a valuable forum for the discussion of supply assurance issues, including the concerns of States about the enrichment services market and the need for a pragmatic, commercial approach based on mutual benefit.

66. The United Kingdom, which welcomed the three proposals now before the Board, considered it important that all proposals relating to the supply assurance issue complement one another in order to prevent the generation of a confusingly wide range of ideas. Ways should be sought of achieving complementarity and developing common approaches as regards, for example, export licensing arrangements.

67. The United Kingdom, which had developed a nuclear fuel supply assurance concept, intended to put forward proposals for consideration by the Board at its next series of meetings. In formulating the proposals, it would take account of points raised by Member States — for example, Brazil — not fully persuaded by the case for fuel supply assurances. Its aim was an arrangement that would increase, not reduce, the robustness of the commercial market for nuclear fuel.

68. His country, which welcomed the momentum that had been generated, looked forward to the detailed discussion of specific proposals.

69. Mr KUMAR (India) said that his country was not in a position to go along with the actions recommended in documents GOV/2009/30, 31 and 32. In its view, there was a need for further consultations.

70. Nuclear fuel supply assurances were a sensitive subject with far-reaching implications, on which long years of deliberation within the Agency's Committee on Assurances of Supply had proved to be inconclusive, even divisive.

71. There was a need to develop a policy that reflected the clarifications given by the Director General in his introductory statement and that would serve as a framework for all proposals. That would be in keeping with the 'Spirit of Vienna'. Mutual trust between, on one hand, developing Member States and, on the other, developed Member States would not be enhanced by one-sided initiatives that were based on the concerns of some suppliers and took no account of the 'demand side of the equation'.

72. India would like to see a consensus reached on certain basic principles before specific proposals were discussed. Perhaps that consensus could take the form of an understanding in the Board that each proposal submitted to the Board or the General Conference under the agenda item "Assurance of supply" should: recognize the inalienable right of all Member States to develop nuclear technology in all its aspects and, accordingly, affirm that nothing in the proposal would ever be construed as a restriction of their sovereign right to establish and manage their own national fuel cycle facilities in the future; affirm that all Member States with the relevant fuel cycle capabilities would have the right to participate as suppliers in all arrangements proposed under that agenda item; and make it clear that at no stage would any elements be introduced that discriminated between Member States or imposed conditions or concepts that did not figure in the Statute or went beyond the Statute.

73. In short, under the agenda item "Assurance of supply" there was a need for a cautious approach.

74. Mr KAZYKHANOV (Kazakhstan)* said that his country welcomed the start of deliberations on the establishment of a multilateral mechanism to ensure access for all countries to nuclear fuel and reactor technology.

75. Under its Statute, the Agency was mandated to establish and operate an LEU bank of the kind envisaged in document GOV/2009/30. The LEU in the bank would need to be fully under the control

of the Agency and in its formal legal possession, with the Agency bearing full responsibility for ensuring that the LEU was safeguarded against natural disasters, unauthorized removal, and damage or destruction.

76. Also, it was important that international nuclear fuel supply assurance mechanisms not undermine the right of Member States to establish nuclear fuel cycle facilities of their own and that they be non-political, non-discriminatory and open to all States complying with their safeguards obligations. All decisions to transfer nuclear material should be taken on the basis of non-political criteria and the transfers should be carried out in an objective and consistent manner. No State should be required to give up its rights under the NPT regarding the nuclear fuel cycle.

77. His delegation was grateful to the Director General for the reference in document GOV/2009/30 to a position paper of Kazakhstan regarding the establishment of IAEA nuclear fuel banks (INFCIRC/753). As stated in that position paper, on 6 April 2009 President Nursultan Nazarbayev had declared that, if a nuclear fuel bank was established, Kazakhstan, which was a party to the NPT and had voluntarily renounced nuclear weapons, could consider hosting it on its territory.

78. Kazakhstan welcomed the Russian initiative regarding the establishment of an LEU reserve at the International Uranium Enrichment Centre (IUEC) in Angarsk, as access to the LEU reserve would not be based on political criteria, would be non-discriminatory and would be open to all States complying with their safeguards obligations, and the initiative did not clash with other assurance of supply initiatives.

79. Germany's proposal regarding a Multilateral Enrichment Sanctuary Project was interesting and deserved attention.

80. That having been said, Kazakhstan was fully aware of the fact that any decision to establish a nuclear fuel bank would have to be taken on the basis of broad agreement among Member States.

81. Kazakhstan, which was a major producer of uranium ore and had nuclear fuel fabrication capabilities, intended to expand its involvement in the peaceful uses of nuclear energy within the framework of the NPT and the Agency. As a partner of the Russian Federation, it was a founding member of the IUEC in Angarsk, and the purpose of its participation in the IUEC project was to promote the peaceful utilization of nuclear energy by helping to ensure equal access to nuclear fuel for all interested countries.

82. Mr SHIM Yoon-Joe (Republic of Korea)* said that his country, which was heavily dependent on nuclear energy and had a sizeable nuclear power programme, attached great importance to having stable, sustainable and economically reasonable access to nuclear fuel. It was therefore participating constructively in the current international debate on multilateral approaches to the nuclear fuel cycle.

83. As regards the Board agenda item "Assurance of supply", in the light of the three proposals now under discussion his delegation considered that the time was ripe for the Board to start discussing how to implement them. It was therefore in favour of the Board's taking the actions recommended in documents GOV/2009/30, 31 and 32.

84. His country had recently submitted to the Secretariat a non-paper entitled "The Republic of Korea's Suggestion on Possible Criteria for Multilateral Approaches to the Nuclear Fuel Cycle" and setting out five basic criteria to be taken into account when the establishment of a nuclear fuel supply assurance mechanism was being contemplated (INFCIRC/760).

85. Besides the supply assurance issue, the non-paper went into the issue of what to do with spent nuclear fuel — an issue of great importance for the Republic of Korea, where large amounts of spent nuclear fuel had accumulated during the operation of 20 power reactors. His country considered that

all proposals regarding multilateral approaches to the nuclear fuel cycle should cover not only front-end issues but also back-end ones.

86. Mr BOECK (Austria)* said that his country's views regarding nuclear power were well known: given the high environmental and financial costs over time and the lack of a sustainable solution to the problem of radioactive waste, nuclear power was not a suitable form of energy for use in the fight against climate change. Nevertheless, Austria fully respected the right of every State to choose its own energy mix and understood the need of States with nuclear power programmes to obtain nuclear fuel in an assured and predictable manner.

87. Austria had contributed to the nuclear fuel supply assurance debate in a 'food for thought' paper submitted to the Secretariat in 2007 (INFCIRC/706) and in a working paper entitled "Multilateralisation of the Nuclear Fuel Cycle: Increasing Transparency and Sustainable Security" submitted recently (INFCIRC/755).

88. In Austria's opinion, multilateralization of the nuclear fuel cycle should aim to increase the transparency of nuclear fuel cycle activities, ensure the security of the supply of nuclear fuel and nuclear fuel cycle services to those States which had chosen to include nuclear power in their energy mix, to address various non-proliferation concerns, and to create conditions supportive of efforts directed towards the complete elimination of nuclear weapons.

89. In its recently submitted working paper, Austria proposed, as a transparency measure, the establishment by the Agency of a 'cradle to grave' information system designed to provide a comprehensive picture of the nuclear industry worldwide and of each State's capabilities, activities and transactions (both national and transnational) at each stage of the fuel cycle. Much of the information that should be contained in the 'cradle to grave' information system had already been gathered by the Agency for verification and other purposes.

90. As a confidence-building measure, Austria proposed the establishment of a nuclear fuel reserve under the control of the Agency, which would gradually assume the functions of a broker for all transactions involving nuclear materials and fuel cycle services. Existing fuel cycle facilities would ultimately be transferred to multilateral ownership, and the rights enshrined in Article IV of the NPT, insofar as they applied to the nuclear fuel cycle, would be exercised exclusively by equal partners in multilateral enterprises.

91. Much of the current mistrust in international affairs had its origin in national nuclear programmes, but history had shown that the cooperative endeavours of States could reduce mistrust. Some proposals for multilateralization of the nuclear fuel cycle had been criticized as attempts to divide the nuclear community into suppliers and recipients or 'haves and have-nots'. However, the approach to multilateralization proposed by Austria would ultimately lead to a more comprehensive implementation of Article IV of the NPT, with the benefits at the different stages of the nuclear fuel cycle available on a fair and equal basis to all States seeking them.

92. Mr BJORNINGSTAD (Norway)* said that his country, which was in favour of the establishment of multinational mechanisms designed to ensure that all countries had access to nuclear fuel and to reactor technology for peaceful purposes, as envisaged in the Statute, had pledged \$5 million towards the establishment of an LEU bank administered by the Agency.

93. His country, which hoped that the Board would take the actions recommended in documents GOV/2009/30, 31 and 32, believed that establishment of the envisaged nuclear fuel supply assurance mechanisms would not undermine the right of any country party to the NPT to enrich uranium for peaceful purposes under Agency safeguards. Moreover, participation in such mechanisms would be voluntary and their operation would be funded from extrabudgetary resources.

94. Recognizing that there were different views regarding the assurance of supply issue, Norway looked forward to constructive discussions conducted in a spirit of compromise leading to an agreement that would strengthen the Agency.

95. Mr SOLTANIEH (Islamic Republic of Iran)* said that the issue at hand was very complex, with technical, legal, commercial, economic and political implications. The assurance of supply issue had been discussed frequently during the past three decades, but no tangible results had been achieved. There had recently been some progress, but more time was required in order to arrive at generally acceptable proposals as there was still a lack of trust on the part of many developing Member States, which suspected that a number of developed Member States were seeking to monopolize a critical technology.

96. Every Member State party to the NPT had the inalienable right “to develop research, production and use of nuclear energy for peaceful purposes” — and that right clearly included the right to build national facilities for the production of fuel for its power and research reactors. Moreover, Member States had the right to decide on their own nuclear fuel supply options, either national production or purchases on the commercial market or a combination of the two, without discrimination or restrictions. In its Final Document, the 2000 NPT Review Conference had emphasized that “each country’s choices and decisions in the field of peaceful uses of nuclear energy should be respected without jeopardizing ... its fuel cycle policies”.

97. In his country’s view, it was essential that all proposals relating to the nuclear fuel cycle that were made within the Agency framework be consistent with the Statute and not undermine the inalienable rights of Member States under the NPT. Creating additional nuclear fuel supply options should increase competition, to the benefit of Member States, and not restrict their sovereign right to develop indigenous nuclear fuel cycles.

98. Given its serious implications for the rights enshrined in Article IV of the NPT, the supply assurance issue should be the subject of thorough analysis and be approached cautiously, with a view to thoroughly addressing its technical, legal, commercial, economic and political aspects. Any proposal implying obligations that went beyond those arising out of the Statute and safeguards agreements with the Agency was bound to be rejected by developing Member States, which were very mindful of the role that peaceful nuclear activities could play in their sustainable socio-economic progress.

99. As a matter of principle, Iran was opposed to any attempts to discourage certain peaceful nuclear activities on the grounds of their alleged sensitivity. Such attempts had been made in the 1980s in the Committee on Assurances of Supply, which had failed to arrive at a consensus on an internationally binding instrument after seven years of negotiation. As the representative of his country in that committee, he had witnessed the reluctance of industrialized Member States to take account of the concerns of developing ones.

100. In his country’s view, the supply assurance issue was so important that any decision regarding the implementation of a proposal should be taken by consensus by the General Conference

101. Financial donations in support of the implementation of a proposal from sources other than Member States could have serious consequences for the credibility of the Agency. The offer of the Nuclear Threat Initiative had not been made out of altruism; it had probably been prompted by the profit motive or a desire to impose restrictions on developing Member States.

102. Mr QUEISI (Jordan)* said that his country, a party to the NPT, was planning to launch a nuclear power programme and was therefore very interested in the nuclear fuel supply assurance issue. In its view, all proposals relating to that issue should aim at expanding fuel supply options and be

subjected to in-depth study in order to ensure that they would not lead to restrictions on the rights of Member States parties to the NPT.

103. Mr GASHUT (Libyan Arab Jamahiriya)* said that the proposals before the Board took account of the inalienable right of States to develop national nuclear fuel cycles, but further clarity was required as regards the technical, legal and political aspects. Moreover, besides LEU, there needed to be assured supplies of nuclear power plant equipment in order to ensure uninterrupted plant operation.

104. Further consultations were required in order to reach consensus on the right of States to develop national nuclear fuel cycles within the framework of comprehensive safeguards.

105. The CHAIRPERSON, summing up, said that several members had welcomed the initiative to create a LEU bank under the auspices of the Agency which would serve as a last resort for Member States in the event that their supplies were disrupted for reasons not related to technical or commercial considerations. In that regard, they had expressed appreciation to the Director General and the Secretariat for the proposal contained in document GOV/2009/30, entitled "Proposal for the Establishment of an IAEA Low Enriched Uranium (LEU) Bank" and had welcomed the financial pledges made towards the project in question.

106. Several members had taken note of the offer by Kazakhstan to consider hosting the IAEA LEU bank on its territory.

107. Several members had expressed the view that there was a need for caution when addressing the different aspects associated with the issue of nuclear fuel supply assurances, and that any proposal in that regard should be in full accordance with the Statute and should take into consideration the respective legal rights and obligations of Member States and the principle of non-discrimination.

108. Several members had stated that any assurance of supply proposal should not discourage Member States from developing or expanding their own nuclear fuel cycle capabilities and should not hamper research, development and international cooperation in the field of peaceful nuclear activities. They had reiterated in that regard the inalienable right of all States to develop all aspects of nuclear science and technology for peaceful purposes.

109. Several members had encouraged the Agency to continue pursuing the proposals on fuel supply assurances and had stated that the rights of Member States with regard to the establishment or expansion of their own nuclear fuel cycle capabilities would remain undiminished by the establishment of multilateral fuel supply mechanisms which would instead offer additional options for the supply of nuclear fuel.

110. Several members had expressed the view that none of the proposals before the Board provided a proper assurance of supply of nuclear fuel, since it simply created a backup mechanism to provide LEU when the supply of fuel was disrupted for political reasons but did not provide assurances of fuel fabrication services.

111. Several members had raised diverse technical, financial, political and legal queries on issues such as the proposition that the development of an enrichment capability posed a proliferation risk, the reliability or credibility of the triggering mechanism, the eligibility criteria, the supply of natural uranium as fuel, and the financial implications of the proposals.

112. Several members had expressed the view that any decision regarding the implementation of the proposals should be taken by consensus by the General Conference.

113. Several members had expressed the view that the proposal contained in document GOV/2009/30 could not be a basis for a more detailed proposal for an IAEA LEU bank to be brought

forward for the Board's consideration. They had also expressed the view that it was premature to authorize the Agency to accept any financial pledges for financing of the proposed LEU bank.

114. Several other members had welcomed the proposal for establishing an IAEA LEU bank and had encouraged the Secretariat to continue its work on the development of an IAEA LEU bank and had welcomed the financial pledges made by some Member States for that purpose.

115. With regard to the proposal contained in document GOV/2009/31, entitled "Russian Federation Initiative to Establish a Reserve of Low Enriched Uranium (LEU) for the Supply of LEU to the IAEA for its Member States", several members had noted the Russian initiative to establish in Angarsk an LEU reserve for the supply of LEU to Agency Member States. They looked forward to hearing further details from the Secretariat about the initiative in due course.

116. Several other members had expressed the view that the proposal put forward by the Russian Federation might entail fewer financial burdens, as far as the Agency was concerned, than the proposal for an IAEA LEU bank. However, they were of the view that the document did not contain a comprehensive conceptual framework that could form a basis for developing a draft model agreement that could be approved by the Board.

117. With regard to the proposal of Germany, contained in document GOV/2009/32, entitled "Establishing an Independent Access to Nuclear Fuel Cycle Services: The Multilateral Enrichment Sanctuary Project (MESP)", several members had expressed their readiness to further consider the potential framework for pursuing the suggested multilateral enrichment sanctuary. They looked forward to an extensive and detailed discussion of the issue with a view to promoting a multilateral LEU supply mechanism compatible with the existing market and with the proposed Agency and Russian LEU reserves.

118. Several other members had expressed the view that the Agency should not administer a commercial company for the supply of nuclear fuel or enrichment services.

119. The Board had noted the Director General's comments on issues raised.

120. Her sense from listening to the various speakers was that the Board might continue with its discussions on the proposals made by the Director General and the Russian Federation, and that the Secretariat would assist in further elaborating a conceptual framework that could form the basis for developing detailed proposals that would adequately address the views and concerns of Member States.

121. Mr KUMAR (India) said that the Chairperson's summing-up should place more emphasis on the importance of further informal consultations before concrete steps were taken, since the basic principles regarding how to proceed had not yet been agreed upon. The summing-up seemed to imply that the Board had agreed to go ahead with the actions recommended in documents GOV/2009/30, 31 and 32, whereas the Board had reached no such consensus.

122. The CHAIRPERSON said that in her summing-up she had not stated that the Board had agreed to take the recommended actions. The aim of the language in the final paragraph of her summing-up had been to allow Member States more time to consult with one another and seek more information from the Secretariat.

123. Ms DONNA RABALLO (Argentina) said that the Group of 77 and NAM did not want any specific action to be taken on the three proposals before the Board.

124. The CHAIRPERSON said that no action based on the recommendations made in documents GOV/2009/30, 31 and 32 was envisaged.

125. Mr SOLTANIEH (Islamic Republic of Iran)* said that confusion might perhaps have been created by the use in the final paragraph of the summing-up of the word “discussions”, implying formal discussions in the Board, rather than the word “consultations”, implying informal discussions. There appeared to be no objection to further consultations, but the use of the word “discussions” could be taken to suggest that the assurance of supply issue was to be addressed formally at the next series of Board meetings, without extensive informal consultations beforehand.

126. Mr LÜDEKING (Germany) said that, in his delegation’s view, the comments in the summing-up on the proposal made by his country were too short to do it justice.

127. Recalling the report of an independent expert group on multilateral approaches to the nuclear fuel cycle issued in 2005 in document INFCIRC/640, he said that it had been taken into account in the development of his country’s proposal.

128. The CHAIRPERSON said that, in her view, her summing-up had adequately covered Germany’s proposal.

129. Mr LÜDEKING (Germany) said that, although his delegation was not satisfied with the comments in the summing-up on his country’s proposal, it would not challenge the summing-up.

130. Mr KUMAR (India) expressed support for the replacement of “discussions” by “consultations” in the final paragraph of the Chairperson’s summing-up.

131. Mr SMITH (United Kingdom) and Mr BERDENNIKOV (Russian Federation) said that their delegations would be happy to see both the word “discussions” and the word “consultations” in the final paragraph of the summing-up.

132. The CHAIRPERSON suggested that the final paragraph of her summing-up be amended to read as follows: Her sense from listening to the various speakers was that the Board might continue with its consultations and discussions on the proposals made by the Director General and the Russian Federation, and that the Secretariat would assist in further elaborating a conceptual framework that could form the basis for developing detailed proposals that would adequately address the views and concerns of Member States.

133. She took it that her summing-up, as amended, was acceptable.

134. The Chairperson’s summing-up was accepted.

7. Designation of members to serve on the Board in 2009-2010 (GOV/2009/28)

135. The CHAIRPERSON said that, in accordance with Article VI of the Statute, she had prepared a list of members for designation to serve on the Board in 2009–2010. The members on the list were: Australia, Brazil, Canada, China, France, Germany, India, Japan, the Russian Federation, South Africa, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

136. She took it that the Board wished to designate the members on the list she had read out to serve on the Board in 2009–2010.

137. It was so decided.

138. The CHAIRPERSON took it that the Board wished to communicate its decision to the General Conference as indicated in document GOV/2009/28.

139. It was so agreed.

8. Appointment of the Director General

140. The CHAIRPERSON recalled that on 26 May 2009 the Board had listened to presentations made by five candidates for the post of Director General — namely, Mr Yukiya Amano, nominated by the Government of Japan; Mr Luis E. Echávarri, nominated by the Government of Spain; Mr Abdul Samad Minty, nominated by the Government of South Africa; Mr Ernest Petrič, nominated by the Government of Slovenia; and Mr Jean-Pol Poncelet, nominated by the Government of Belgium.

141. On 9 June 2009, a non-binding straw poll had given the Board an initial indication of the relative support enjoyed by each candidate. The result had been communicated to all Member States in a note dated 9 June 2009.

142. The Board was to meet formally in closed session on 2 July 2009 to commence the balloting procedure described in document GOV/2008/44. She had received no information indicating that any of the five candidates had withdrawn.

9. Provisional agenda for the fifty-third (2009) regular session of the General Conference (GOV/2009/29)

143. The CHAIRPERSON said that, under Rule 11 of the Rules of Procedure of the General Conference, the provisional agenda for each regular session of the General Conference was drawn up by the Director General in consultation with the Board. The draft provisional agenda for the forthcoming regular session of the General Conference was contained in document GOV/2009/29. Some items and annotations might need to be updated before the provisional agenda was finally issued. Adoption of the provisional agenda was ultimately a matter for the General Conference, which usually acted on the recommendation of its General Committee.

144. Mr PYATT (United States of America), referring to provisional agenda item 21, “Application of IAEA safeguards in the Middle East”, said that his country was in favour of a holistic approach to the Middle East — one addressing all issues related to safeguards implementation and compliance in a comprehensive manner. It welcomed consultations with other Member States in the hope that consensus could be achieved on the agenda item. Only in that way, and with the involvement of all parties concerned, could progress be made towards the stated goal of a Middle East free of weapons of mass destruction.

145. The CHAIRPERSON assumed that the Board wished to take note of the draft provisional agenda for the forthcoming session of the General Conference contained in document GOV/2009/29, which would be updated as necessary before being issued.

146. It was so decided.

10. Representation of other organizations at the fifty-third (2009) regular session of the General Conference (GOV/2009/21)

147. The CHAIRPERSON took it that the Board wished to invite the intergovernmental organizations listed in paragraphs 2 and 3 and the non-governmental organizations listed in paragraphs 6 and 7 of document GOV/2009/21 to be represented at the fifty-third (2009) regular session of the General Conference.

148. It was so decided.

11. Derestriction of documents of the Board of Governors (GOV/2009/25)

149. Ms GOICOCHEA ESTENOZ (Cuba), speaking on behalf of NAM, said that in NAM's view the rules adopted in 1996 remained valid — in particular, all Board documents were restricted documents when issued; after two years, the documents were automatically derestricted; and the Board could decide to derestrict some documents earlier or later than the end of the two-year period.

150. NAM considered that decisions to derestrict documents earlier than the end of the two-year period should be taken only on an exceptional basis and that, if a document related to a particular country or group of countries, it should be derestricted only with the agreement of the country or countries concerned.

151. The Secretariat — and also all Member States — should take additional measures to preserve the confidentiality of Board documents. It should review, in consultation with Member States, the mechanisms for controlling access to the Agency's GovAtom website.

152. In the case of Board documents with safeguards-related information, it was essential that the Agency adhere to the legally binding provisions of the safeguards agreements concluded with Member States, which stated — in Article 5 (a)(i) — that the Agency should not publish or communicate to any State, organization or person any information obtained by it in connection with the implementation of those agreements, except that such information might be given to the Board, but only to the extent necessary for the Agency to fulfil its responsibilities in implementing the agreements.²

² See document GOV/INF/276, Annex A.

153. Mr PYATT (United States of America) said that his country believed that the current policy, under which the Board had the authority to derestrict documents earlier or later than the end of the two-year period, had served the interests of the Agency well.

154. Ms GERVAIS-VIDRICAIRE (Canada), expressing support for the current policy, said that her delegation was not in favour of its being modified in the manner envisaged by NAM. The Board should be left to decide on a case-by-case basis whether to derestrict documents before the end of the two-year period.

155. Ms GOICOCHEA ESTENOZ (Cuba), speaking in her national capacity, said that Cuba was strongly in favour of NAM's position. At the same time, it stood ready to participate in further discussion on the subject of the derestriction of Board documents.

156. The CHAIRPERSON, summing up, said that the Board had expressed the view that the rules adopted in 1996 on the restricted character of Board documents should be maintained. It was of the opinion that a decision to derestrict some documents before the end of the two-year period envisaged in the rules should be taken only on an exceptional basis.

157. Several members were of the opinion that, if a document was derestricted before the end of the two-year period and if it related to a particular country or group of countries, it should be derestricted only with the agreement of the country or countries concerned.

158. Ms GERVAIS-VIDRICAIRE (Canada) suggested that mention be made in the summing-up of the fact that some Board members believed that the rules on derestriction should remain unchanged.

159. The CHAIRPERSON recalled that in her summing-up she had said that "the Board had expressed the view that the rules ... should be maintained."

160. Mr KRUSE (Australia) said that his delegation believed that not all Board members were of the opinion, expressed in the summing-up, that a decision to derestrict before the end of the two-year period envisaged in the rules should be taken only on an exceptional basis. The words "only on an exceptional basis" implied that early derestriction would be a very rare event.

161. The CHAIRPERSON said that in her experience the derestriction issue had been raised only in connection with the Syrian Arab Republic and the Islamic Republic of Iran and that, therefore, early derestriction would in her opinion indeed be a very rare event.

162. Mr SOLTANIEH (Islamic Republic of Iran)* said that in his delegation's opinion, in order to be balanced and fair, when a document was derestricted before the end of the two-year period, the views of the country or countries to which it related should be published simultaneously with the derestricted document.

163. The CHAIRPERSON asked whether the Board accepted her summing-up.

164. The Chairperson's summing-up was accepted.

12. Any other business

165. Ms GERVAIS-VIDRICAIRE (Canada) said that an IRRS team consisting of 21 senior regulators from 13 Member States had just concluded a two-week mission to her country during which it had compared the nuclear regulatory practices of Canada with those of other countries. The team

had concluded that Canada had a sound nuclear regulatory framework and that its regulator — the Canadian Nuclear Safety Commission — was doing an effective job. Canada was considering the team's recommendations with a view to making improvements in a timely manner.

166. Recalling that the supply of molybdenum-99 for medical diagnostic purposes was a matter of great importance, she said that Canada's National Research Universal reactor had been shut down on 14 May 2009. During the reactor outage, the operator had discovered a heavy water leak and, although it did not impact health and safety, had decided to extend the shutdown in order to determine the cause of the leak and make necessary repairs.

167. The duration of the extended shutdown would not be known until a full assessment of the nature of the leak had been made, but Atomic Energy of Canada Limited had recently announced that the reactor would be out of service for at least three months.

168. At Canada's initiative, NEA had established a high-level group on the security of supply of medical isotopes, in which the Agency was an observer and which was holding its first meeting during the current week in Toronto. The high-level group would look into short-, medium- and long-term issues associated with the security of supply of molybdenum-99.

169. The operators of various reactors producing molybdenum-99 were currently endeavouring to minimize the overlapping of reactor shutdowns in order to maintain molybdenum-99 supplies.

170. Mr PYATT (United States of America) said that the 2009 plenary meeting of partners in the Global Initiative to Combat Nuclear Terrorism was taking place in The Hague during the current week and that his delegation would be circulating the statement made by President Obama in that connection.

171. In his country's view, the Agency could play an important role in furthering the Global Initiative to Combat Nuclear Terrorism through the development of nuclear security standards and guidance and through promotion of the sharing of lessons learned in the nuclear security area among Member States. His country was therefore committed to ensuring that the Agency had the resources necessary for playing that role.

172. Mr BEHAM (Serbia)*, referring to recent developments in the decommissioning activities under way at the Vinča Institute of Nuclear Sciences (the Vinča Institute Nuclear Decommissioning Programme), said that on 27 May 2009 the first shipment of equipment needed for repackaging spent fuel and preparing it for transport had reached Vinča. Installation and testing of the equipment would take place during the period July–September 2009, and repackaging of the spent fuel would begin soon afterwards.

173. On 10 June 2009, his country had concluded an agreement with Rosatom on the shipment of irradiated nuclear fuel from Serbia to Russia. The removal of irradiated fuel from the research reactor at the Vinča Institute would be carried out under the agreement between Russia and the United States on cooperation in the repatriation of Russian-made fuel from research reactors.

174. In 2002, almost 50 kg of fresh HEU fuel had been transported from Vinča to Russia in an operation undertaken jointly by Serbia, the United States, Russia, the Secretariat, the Global Threat Reduction Initiative and other partners.

175. Serbia was grateful to the Secretariat, the United States, Russia, the EU and its other partners in the Vinča Institute Nuclear Decommissioning Programme for their support, without which the present implementation phase could not have been reached. As a country in transition, it looked forward to the continuation of that support.

176. Ms COPPOOLSE (Netherlands)* said that her country, which was currently hosting the 20th plenary meeting of partners in the Global Initiative to Combat Nuclear Terrorism, was pleased that more than 60 countries had decided to participate in the meeting and was grateful to Russia and the United States for their leadership in moving the Global Initiative forward.

177. The Netherlands attached great importance to the activities of the Agency's Office of Nuclear Security and considered it essential that adequate funding be made available for those activities. It had long been calling for a mechanism that would provide the Office of Nuclear Security with predictable financial resources from the Regular Budget. Even after the creation of such a mechanism, however, extrabudgetary contributions to the NSF would continue to be needed. It was against that background that her country had decided to make a contribution of 250 000 euros to the NSF in support of implementation during 2010 of the Agency's Nuclear Security Plan for the period 2010–2013 and would like to see many other Member States contributing to the NSF.

178. Mr ZHANTIKIN (Kazakhstan)* said that his Government had been pleased to host the Agency-organized International Conference on Remediation of Land Contaminated by Radioactive Material Residues held in Astana in May 2009. One reason for holding the Conference in Kazakhstan had been to highlight the need to find effective ways of remediating legacy sites that had resulted from the inappropriate conduct of uranium mining and milling operations. In Central Asia, the enterprises that had extracted uranium and rare earth elements over a period of more than 50 years had left behind very large amounts of industrial waste, including radioactive residues.

179. Also, large areas in Central Asia were radiologically contaminated as a result of former nuclear weapons testing programmes. In Kazakhstan, access to 16 000 km² of land was still restricted because of radiological contamination, but his country's authorities were pleased that the Agency, which had already carried out independent assessments of the radiological situation at some former test sites, was prepared to continue carrying out such assessments and to support remediation activities.

180. Mr NAKANE (Japan), referring to the statement made by the representative of Iraq under agenda subitem 5(b), said that the Board should take steps to address the fact that Iraq's right to the peaceful utilization of nuclear energy was still constrained by UNSC resolutions.³ Japan was strongly in favour of the inclusion of an item regarding that issue in the agenda for the meetings of the Board in September.

181. The DIRECTOR GENERAL said that, in order for the UNSC to lift its restrictions on Iraq's nuclear activities, the Agency would have to certify that there were no undeclared nuclear materials and activities in Iraq. In order for that to happen, Iraq would have to bring an additional protocol to its safeguards agreement with the Agency into force. Then the Agency would have to reach, through the application of integrated safeguards, its broader conclusion regarding the absence of undeclared nuclear materials and activities. Only at that point would it be possible for the restrictions to be lifted. A Board discussion would not accelerate matters.

³ See document GOV/OR.1239, paras 61–63.

– **Closure of the meeting**

182. The CHAIRPERSON bade farewell to Ambassador Kauppi of Finland, one of the Board's two Vice-Chairpersons, who would be leaving Vienna in the near future. She had played an admirable role in guiding the informal consultations on the future of the Agency.

183. Regarding the question of a successor to Ambassador Kauppi as one of the Vice-Chairpersons, the suggestion that Ambassador Vallim Guerreiro of Brazil assume the post and the responsibility for guiding the informal consultations on the future of the Agency had been very well received.

The meeting rose at 6.20 p.m.