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FORTY-SECOND (1998) REGULAR SESSION

RECORD OF THE FIRST PLENARY MEETING

Held at the Austria Center Vienna
on Monday, 21 September 1998, at 10.20 a.m.

Temporary President: Mr. NIEWODNICZAŃSKI (Poland)
President: Ms. LAJOUS VARGAS (Mexico)

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[*] GC(42)/2, Corr.1 and Add.1-2.

The composition of delegations attending the session is given in document GC(42)/INF/13/Revs 1-3.

98-03442 (XXXVIII)

Abbreviations used in this record

Agreed Framework	Agreed Framework between the United States of America and the Democratic People's Republic of Korea
ARCAL	Regional Co-operation Agreement for the Promotion of Nuclear Science and Technology in Latin America and the Caribbean
Chemical Weapons Convention	Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction
CTBT	Comprehensive Nuclear-Test-Ban Treaty
CTBTO	Comprehensive Nuclear-Test-Ban Treaty Organization
DECADES	Databases and Methodologies for Comparative Assessment of Different Energy Sources for Electricity Generation
DPRK	Democratic People's Republic of Korea
FAO	Food and Agriculture Organization of the United Nations
GRULAC	Latin American and Caribbean Group
KEDO	Korean Peninsula Energy Development Organization
MEL	Marine Environment Laboratory
MOX	Mixed oxide
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review and Extension Conference	Review and Extension Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
OSART	Operational Safety Review Team
Pelindaba Treaty	African Nuclear-Weapon-Free Zone Treaty
R&D	Research and development
RBMK	High-power channel-type reactor (Soviet Union)
RCA	Regional Co-operative Agreement for Research, Development and Training Related to Nuclear Science and Technology (for Asia and the Pacific)
SIT	Sterile insect technique
START	Treaty on the Reduction and Limitation of Strategic Offensive Arms
TCF	Technical Co-operation Fund
Tlatelolco Treaty	Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean
Trilateral Initiative	Trilateral Initiative launched by the Minister of the Russian Federation for Atomic Energy, the Secretary of Energy of the United States and the Agency's Director General on 17 September 1996 to consider practical measures for the application of IAEA verification to fissile material originating from nuclear weapons
UNSCOM	United Nations Special Commission

OPENING OF THE SESSION

1. The TEMPORARY PRESIDENT declared open the forty-second regular session of the General Conference.

2. In accordance with Rule 48 of the Rules of Procedure of the General Conference, he invited delegates to observe one minute of silence dedicated to prayer or meditation.

All present rose and stood in silence for one minute.

3. The TEMPORARY PRESIDENT expressed his gratitude for the support and co-operation extended to him during the forty-first session of the General Conference, a session that had marked important milestones not just for the Agency, but also for the entire world. Several important multilateral legal instruments forming a solid foundation for the peaceful uses of atomic energy worldwide and for the safe development of nuclear power had been opened for signature.

4. Various new measures and agreements signed with the Agency had rendered safeguards, the physical protection of nuclear materials and the global nuclear safety system more effective and credible. The nuclear tests conducted by India and Pakistan, which had led to widespread expressions of condemnation, regret and concern, had revealed an urgent need for universal adherence to the NPT and to the CTBT.

5. Concern about the safety of nuclear installations had stimulated research and the application of advanced technologies in that field. The Agency's role in supporting that process could not be overestimated. He personally believed that, once sufficient financial resources were provided by Member States, the Agency's competence should be further exploited in efforts to achieve a nuclear-safe world. The Agency had continued to promote global safety initiatives and had made significant progress in developing a safety culture. Nevertheless, there were still areas requiring further efforts - the safe transport of radioactive waste being one of them.

6. The final years of the nineteenth century had brought a series of discoveries that could be regarded as the first observations and experimental results in nuclear research. One hundred years ago, in 1898, Marie Sklodowska-Curie and Pierre Curie had separated polonium and radium. That discovery and the subsequent research performed by the couple and by Marie Curie after the death of her husband had been enormously significant to the further development of nuclear sciences. Some nuclear techniques, such as radiotherapy and the use of radioisotopes in medicine, would not have developed to the present level without the pioneering work done 100 years previously.

7. The Director General and the entire Secretariat deserved congratulations for their contribution to the Agency's activities over the past year, and their success in enabling the Agency to handle a growing number of programmes in spite of the lack of real growth in the budget. Some of the new challenges, such as efforts to protect nuclear materials and radioactive sources from illegal use and illicit trafficking, depended on additional funds

provided through the Regular Budget or extrabudgetary support from Member States. He hoped that all Member States would co-operate with the Secretariat to find a solution to the Agency's financial problems. Under the new Director General's leadership, a management reform process was already under way.

8. He wished the Director General and the Secretariat continuing success in their work and hoped that the Conference would have a fruitful session. A number of issues unresolved from the forty-first session would require further consideration. He hoped that the willingness to make progress demonstrated by delegates a year ago would continue in the coming week.

ELECTION OF OFFICERS AND APPOINTMENT OF THE GENERAL COMMITTEE

9. The TEMPORARY PRESIDENT invited nominations for the office of President of the Conference.

10. Mr. TRUJILLO GARCIA (Colombia), speaking on behalf of GRULAC, proposed Ms. Lajous Vargas (Mexico), whose diplomatic experience, leadership and negotiating abilities would ensure the smooth running of the General Conference.

11. Ms. Lajous Vargas (Mexico) was elected President by acclamation.

12. The TEMPORARY PRESIDENT, speaking on his own behalf and on behalf of all the delegates, congratulated Ms. Lajous Vargas on her election and wished her success in her task.

Ms. Lajous Vargas (Mexico) took the Chair.

13. The PRESIDENT said it was an honour to preside over the forty-second regular session of the General Conference. She thanked delegations for conferring that honour on her country and extended special thanks to the members of GRULAC for supporting her country's candidacy. She also thanked Mr. Niewodniczański, the outgoing President, for his work at the forty-first regular session.

14. Mexico had a long diplomatic tradition in the field of disarmament and nuclear non-proliferation and in promoting the peaceful applications of atomic energy. Mexicans had made exceptional contributions in that field - Alfonso García Robles, for example, had been awarded the Nobel Prize for Peace in 1982.

15. Mexico's commitment was shared by other countries of Latin America and the Caribbean. The Tlatelolco Treaty, whose adoption had been promoted by Alfonso García Robles, among others, had been in place since 1967 as a regional legal instrument to promote the non-proliferation of nuclear weapons. All countries of the region had signed it and it had served as the model for similar agreements in other geographical areas. The region also had an instrument - ARCAL - that provided a framework for regional technical co-operation projects in the nuclear field.

16. The coming week would be one of intensive work in a wide range of areas. The main lines of the Agency's activities for the coming year would be set down and the use of nuclear energy for development, technical co-operation, nuclear safety and safeguards would all be considered. She invited delegations to work with her to ensure the success of the Conference's deliberations.

17. As the first woman to preside over the General Conference, she would do her best to fulfil the responsibilities entrusted to her. She hoped that her term as President of the General Conference would serve as an inspiration to all women working in the Agency.

18. Turning to the election of officers and the appointment of the General Committee, she recalled that under Rules 34 and 40 of its Rules of Procedure, the Conference had to elect eight Vice-Presidents, the Chairman of the Committee of the Whole and five additional members of the General Committee, resulting with herself as Chairman in a Committee of 15. Since the proposed Chairman of the Committee of the Whole was from the area of South East Asia and the Pacific, which customarily had only one representative on the General Committee, it would be necessary to suspend Rules 34 and 40 in order to have seven Vice-Presidents and six additional members in a committee of 15. On that basis, and in the light of her consultations, she proposed that the delegates of Bangladesh, Cuba, the Netherlands, the Philippines, the Russian Federation, South Africa and the United States of America be elected as Vice-Presidents, that Mr. Lance Joseph of Australia be elected as Chairman of the Committee of the Whole and that the delegates of Croatia, Ireland, Kuwait, Morocco, Slovenia and the United Kingdom of Great Britain and Northern Ireland be elected as additional members of the General Committee.

19. The President's proposals were accepted.

20. The PRESIDENT further proposed that, prior to the General Committee's meeting and its submission of its recommendations on the agenda, the General Conference waive Rule 42 and proceed with its consideration of items 2, 3, 4, 6 and 7 of the provisional agenda in order not to lose time.

21. The President's proposal was accepted.

APPLICATIONS FOR MEMBERSHIP OF THE AGENCY
(GC(42)/3)

22. The PRESIDENT informed delegates that the General Conference had before it an application for membership by Benin contained in document GC(42)/3. That application had been endorsed by the Board of Governors, which had also submitted a draft resolution for adoption by the General Conference.

23. She assumed that the Conference wished to adopt the draft resolution by acclamation.

24. It was so decided.

25. Mr. MEHISSOU (Benin)* expressed his Government's gratitude to the Board of Governors for recommending approval of, and to the General Conference for approving, Benin's application for membership in the Agency. Benin's decision to apply for membership of the Agency demonstrated its desire to participate actively in the search for peace and development. Its commitment to general and complete disarmament under international control, including that of the United Nations, had always been a feature of its foreign policy. It had welcomed the decision taken by the NPT Review and Extension Conference to renew the NPT for an indefinite period of time. It had signed the CTBT, which constituted a general legal framework establishing favourable conditions for the worldwide elimination of nuclear-weapons testing, and had set in motion the ratification procedure, which would soon be completed. It had also signed the Pelindaba Treaty establishing a nuclear-weapon-free zone in Africa.

26. Benin was party to a number of conventions on disarmament and international security, including the Chemical Weapons Convention. Furthermore, since 1993, it had provided to the Secretary-General of the United Nations every year the information required for the United Nations Register of Conventional Weapons.

27. By joining the Agency, Benin sought to consolidate the Agency's much appreciated socio-economic work in developing countries, which were so greatly in need of civilian applications of nuclear technology in all areas. His Government hoped that such expectations would be met so that, in addition to the nuclear security offered by the Agency, food and health security would be ensured.

28. The PRESIDENT announced that Burkina Faso, whose application for membership of the Agency had been approved by the General Conference in 1997, had deposited its instrument of acceptance of the Agency's Statute with the depositary Government on 14 September 1998, thereby bringing the number of members of the Agency to 128.

MESSAGE FROM THE SECRETARY-GENERAL OF THE UNITED NATIONS

29. Mr. FONDAUMIERE (Representative of the Secretary-General of the United Nations) read out the following message to the General Conference from the Secretary-General of the United Nations:

> "It is my pleasure to send greetings to the forty-second regular session of the General Conference of the International Atomic Energy Agency. The IAEA continues to play a central role in meeting the challenges of our times. Its mandates and tasks remain vital for maintaining world peace, for preventing the proliferation of nuclear weapons and for ensuring the peaceful and safe use of nuclear technology for sustainable development. Your efforts will have a direct bearing on international peace and prosperity.

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* Speaking under Rule 30 of the Rules of Procedure.

"This session of the General Conference takes place against the backdrop of a most regrettable setback in hitherto successful global efforts to prevent the proliferation of nuclear weapons. Lest we have forgotten, or have become complacent on account of notable achievements, this setback is a powerful reminder that the genie cannot be put back in the bottle, that we must focus on the driving forces behind the acquisition of nuclear weapons, that we must work not only on weapons capabilities but equally on real and perceived insecurities. We must also reaffirm our course of action: no nuclear tests; no new weaponization or deployment of nuclear weapons; a working system of global and regional security; and nuclear disarmament at the earliest possible date.

"Against that background looms large the relevance of the nuclear non-proliferation regime, accompanied by credible IAEA safeguards and verifications. I welcome the significant progress made in strengthening the safeguards system through the additional protocols to existing safeguards agreements. It is encouraging that additional protocols have been concluded or are being finalized by several countries, and I urge all Member States to do so.

"An essential complement to the Treaty on the Non-Proliferation of Nuclear Weapons is the landmark agreement on the Comprehensive Nuclear-Test-Ban Treaty. I reiterate my call to all countries to sign and ratify the CTBT, and I welcome the steady progress being made by the Provisional Technical Secretariat of the Preparatory Commission for the CTBTO in fully assuming its tasks.

"Substantial improvements have also been made with respect to another central concern: nuclear safety. We cannot afford to neglect the tragic lessons of the Chernobyl disaster, and must ensure that every State conducting nuclear activities has a sound regulatory infrastructure and that every nuclear operator is implementing 'best practice' safety culture. I am pleased to note that you will, at this session, address further measures to strengthen international co-operation in nuclear, radiation and waste safety as well as safety of transport of radioactive materials.

"An aspect of safety that has acquired great urgency of late is the illicit trafficking in nuclear materials by criminal elements, who ruthlessly exploit globalization and technological advances. With the valuable assistance of the IAEA, the international community must address this very real threat.

"This is all the more important because the fully safeguarded transfer of nuclear technology is an essential element in the use of nuclear energy exclusively for peaceful purposes and sustainable development. In this regard, the Agency's technical co-operation programme for developing countries should be strengthened, since nuclear technology has the potential to make substantial contributions in areas as varied as the eradication of pests in Africa, geothermal energy development in Latin America, child nutrition in Asia and water resource management in the Middle East. These 'nuclear' activities should be given the full attention they deserve.

"The IAEA also has a role to play in encouraging the involvement of civil society in international affairs. Civil society has claimed, legitimately, a greater stake in global issues, both operationally and at the policy level. We need to bring all United Nations organizations closer to the people for whom they were founded. Indeed, our fundamental strength should be the support of the general public.

"You have a long and complex agenda. I look forward to co-operating closely with the IAEA on the range of issues before you as together we pursue the goal of a safe and prosperous world for all of humanity. Please accept my best wishes for a successful conference."

STATEMENT BY THE DIRECTOR GENERAL

30. The DIRECTOR GENERAL said that the prevailing climate of change, uncertainty and opportunity had an impact on every aspect of the Agency's work. The urgent need to evolve sustainable development strategies required that objective consideration be given to the role of nuclear energy in such strategies. The imperative of ensuring a high level of safety for all nuclear facilities around the world called for the development and management of a comprehensive and legally binding safety regime supported by an enhanced safety culture. The realistic possibility, with the end of the Cold War, of curbing the proliferation of nuclear weapons and moving towards nuclear disarmament depended critically on the availability of an effective system of verification; and the need to raise the standard of living of the world's poorest required the efficient transfer of technology, including nuclear technology.

31. Reviewing trends in global energy supply, he said that, while the growth of nuclear power had come to a standstill in Western Europe and North America, it was expanding in parts of Asia and Eastern Europe. At the end of 1997, 437 nuclear reactors operating in 31 countries had provided about 17% of global electricity supply, slightly less than in the previous year. Several existing reactors were approaching the end of their design life. Decisions had to be made to extend their time in service, to replace them with new plants or to find other options. Decisions also had to be made with respect to the accumulation of spent fuel and radioactive waste.

32. Global electricity demand was growing, driven mainly by developing countries with expanding populations. Depending on the economic growth scenario, it was expected to double or triple by the year 2050. Concerns about potential global warming were also growing. Energy produced from fossil fuels accounted for more than half of anthropogenic greenhouse gas emissions. By contrast, the use of nuclear power currently accounted for the avoidance of about 8% of global carbon emissions. Apart from nuclear or hydro power, there were as yet no other economically viable options for base load power generation that involved minimal greenhouse gas emissions.

33. The structure of the global electricity sector was changing. In several countries, energy markets were being deregulated and privatized to create a more competitive energy supply market. Power plant operators were aiming at greater efficiency in existing plants and greater

economy to reduce costs. On several grounds, including the comparatively high initial capital cost of new nuclear power plants and questions of public acceptance, new investment had tended to focus on combined-cycle natural gas power plants which had lower greenhouse gas emissions than coal or oil plants.

34. Several challenges had emerged as a result of the foregoing changes: safe, efficient and competitive management of operating nuclear power plants and fuel cycle facilities now and in the future; ensuring that there was no sacrifice of safety for the sake of profitability; and making sure that commitments with respect to global environmental emissions were factored into objective considerations of alternative energy system options. The Agency's work in nuclear power reactor technology development was guided by international working groups which acted as forums for the exchange of information and assisted the Secretariat in planning and implementing activities. In the area of non-electrical applications of nuclear power, the Agency's programme focused on nuclear desalination. Work was also continuing on small and medium-sized reactors, for desalination as well as for electricity generation, either in remote locations or for limited electric grids.

35. With varying degrees of urgency, both developed and developing countries were faced with major energy choices to meet the needs of their economies. While there were many reasons why national authorities and energy investors might choose the nuclear power option (proven technology, cost factors, environmental considerations, national security of supply), it was important that they should have access to tools for objective comparative assessment between nuclear and other sources of energy. With that in mind, and in close co-operation with eight other international organizations, the Agency had developed tools and methodologies for the comparative assessment of different energy chains and conversion technology options through the DECADES project. The DECADES methodological framework was being used by some 35 Member States to conduct their own independent energy option analyses. The Agency was also contributing to the Intergovernmental Panel on Climate Change Third Assessment Report and to the United Nations Commission on Sustainable Development which would address energy issues for the first time.

36. The choice of nuclear power and of a particular energy mix were national decisions. The Agency, however, had a central role to play in ensuring that nuclear power continued to be given a full and fair hearing and that policy-makers had an objective assessment of all the options available to them. Nuclear power was an important component of many national energy strategies, together with improvement of energy efficiency, use of renewable energy sources and improved use of fossil fuels through clean technologies. It was essential that the nuclear power option remained available and was not ruled out on subjective grounds.

37. Spent fuel and radioactive waste management was an area of particular concern. Substantial quantities of spent fuel from research and test reactors had become physically degraded and were kept in ageing storage facilities which represented potential health, safety and environmental problems at many sites. In addition, spent fuel from power reactors had accumulated rapidly. Although existing and planned storage capacity would keep ahead of accumulated inventories, it was feared that resources would not be available in some countries to construct the planned facilities. For countries with small nuclear programmes, and

therefore relatively small amounts of spent fuel and radioactive waste, regional co-operative arrangements for the management of spent fuel and waste might be an attractive prospect.

38. The steady accumulation of plutonium in separated form and in spent fuel also deserved urgent attention. In the civilian sector, about 170 tonnes of separated plutonium was in storage. An additional 100 tonnes would be released from the military programmes of the United States of America and the Russian Federation, and some 1000 tonnes were contained in spent fuel from reactors. Three options for plutonium management were currently being discussed: burning in reactors, immobilization in a suitable matrix and subsequent disposal, and long-term storage. It was hoped that, through international co-operation, a common understanding would emerge on the best ways to deal with that and other fuel cycle issues.

39. Low- and intermediate-level waste was generated both by the nuclear power sector and by the nuclear applications sector through the use of radioisotopes. Through the assessment of different technologies and the dissemination of information, the Agency was helping Member States to address low- and intermediate-level waste management issues. However, the need for Member States to develop disposal plans and operate disposal facilities remained an urgent matter.

40. Experts agreed that technical solutions existed for the safe and permanent disposal of high-level radioactive waste. However, progress in demonstrating those solutions had not been as rapid as originally foreseen, with the opening of actual repositories being delayed again and again. One exception was the recent certification for operation of the Waste Isolation Pilot Plant in New Mexico for the permanent disposal of long-lived radioactive waste. Decisions on the final disposal of waste could be delayed but could not be avoided. He urged Member States to focus on what was an important and pressing issue and not to rule out regional or international solutions.

41. Although the Agency's Radioactive Waste Safety Standards programme was steadily forging the necessary international consensus on the conditions for the safe disposal of radioactive waste, public opinion seemed to be increasingly reluctant to accept the technical advice given. A lesson to be drawn from a major international conference on the subject held a week previously in Hamburg, Germany, was the need for more extensive information exchange. The Agency was prepared to take up that challenge through the organization of a forum for information exchange that would be open to all parties concerned.

42. Over the past year, the global safety record for nuclear power plants had shown continued improvement as a result of peer reviews, the increased safety awareness of power plant managers and substantial international assistance programmes to upgrade plants built to earlier standards. However, the Agency's annual Nuclear Safety Review gave details of other events concerning management practices in nuclear power plants which provided a warning that even well developed nuclear power programmes could experience a gradual deterioration in safety performance in the absence of continuous efforts to maintain and improve nuclear safety. Moreover, continued incidents involving radiation sources underlined the need for effective safety practices throughout the nuclear fuel cycle.

43. Although nuclear safety was a national responsibility, it was also a global public concern. The Agency's aim was to develop a comprehensive nuclear safety regime consisting of three elements: international agreements; safety standards; and measures to provide for the application of those agreements and standards.

44. In recent years, several important international conventions, negotiated under the Agency's auspices, had helped to fill gaps in the international nuclear safety regime. Of particular interest was the Convention on Nuclear Safety. The coming months would provide the first test of the Convention's system of international peer review of national reports. For a comprehensive safety regime to be established, States had to subscribe to the conventions they had adopted. For example, the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, which had been opened for signature at the previous session of the General Conference, had been ratified by only three States.

45. The second element of the Agency's safety programme was the development of internationally agreed safety standards covering nuclear safety, radiation safety, waste management safety and transport safety. The safety standards series represented an international consensus on safety requirements and their implementation. In the current biennium, the entire corpus of safety standards - a total of some 70 documents - was undergoing revision.

46. The diplomatic conference convened in September 1997 to adopt the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management had also adopted a resolution relating to the transboundary movement of radioactive waste and spent fuel, an important issue that would be discussed again at the current session of the General Conference and it was to be hoped that a consensus would be reached.

47. It was not enough to adopt safety standards and measures: priority must be given to their application. That was the third element of the safety programme. The Agency offered a wide range of services, including several peer review services, information exchange, education and training, and co-ordination of safety-related research and development. They were valuable services that all Member States should utilize. Later in 1998 the one hundredth OSART mission would be conducted - to the Golfech nuclear power plant in France.

48. Agency safety services were also used to study specific issues. A comprehensive final report on the 1990-1998 Agency extrabudgetary programme on analysing and upgrading the safety levels of nuclear power plants in Eastern Europe would be issued in 1998. In response to a joint request by the Slovak and Austrian Governments, the Agency had assembled an independent group of internationally recognized experts to examine concerns about embrittlement of the reactor pressure vessel in Unit 1 of the Mochovce nuclear power plant. Also, in response to an invitation from the Government of Ukraine, the Agency had organized a workshop in Kiev to deal with cracking of large diameter pipes in RBMK reactors.

49. The Secretariat was working on the year 2000 computer system problems (Y2K) that the Agency and Member States had to face in the near future. He had asked Departments to draw up action plans to assist Member States by providing guidance on the identification of

Y2K problems and the necessary remedial action, and by offering a forum for information exchange. Such an action plan had already been prepared in the area of safety of nuclear installations and was available on the Agency's WorldAtom Internet home page.

50. The fourth in a series of Agency assessments of radiological legacies from past military activities and waste disposal practices had been completed in 1998: the study of the present and future impact of the radiological situation at the atolls of Mururoa and Fangataufa in French Polynesia. The conclusion that there would not be any health effects that could be diagnosed or discerned attributable to exposure to the radiation from residual radioactive materials remaining at the atolls should provide welcome assurance to the people of the South Pacific region. States might wish to benefit from similar radiological studies of former nuclear weapon test sites to help overcome part of the legacy of the Cold War.

51. Turning to nuclear verification, he noted that over 180 States had committed themselves to IAEA comprehensive safeguards. In 1997, safeguards had been applied to over 900 facilities involving more than 10 000 days of inspection.

52. With the approval by the Board of Governors in 1997 of the Model Additional Protocol to safeguards agreements, the Agency had obtained the legal authority to implement a more effective safeguards system. From the vantage point thus afforded, it could develop a more comprehensive picture than before of all nuclear activities in a State and detect and verify possible non-peaceful activities at an early stage. The next challenge was to ensure that all States concluded and implemented additional protocols. The strengthened safeguards system was a fundamental condition for an effective non-proliferation regime. He was pleased to report that good progress was being made with the conclusion of protocols. With the 10 additional protocols already signed, and the additional protocols for 22 States that would probably be signed in the very near future, a considerable portion of the world's nuclear fuel cycle which was under comprehensive safeguards would be subject to strengthened safeguards. However, that was not enough.

53. One of the main purposes of the strengthened safeguards system – to provide assurance about the absence of any undeclared nuclear activities in States with legally binding non-proliferation commitments – could be better achieved with global adherence. He therefore urged all States with outstanding safeguards agreements to conclude them and all States to accelerate their consideration of the Model Additional Protocol and enter into consultations with the Agency at the earliest possible opportunity. Joint action was needed to ensure that by the year 2000 all States had concluded outstanding safeguards agreements and additional protocols.

54. In his statement to the Board of Governors in June 1998 in the context of the nuclear weapons tests conducted in May, he had drawn attention to the widespread concern at the possible erosion of the basic norm of the non-proliferation regime, namely that, pending nuclear disarmament, world security was better served with fewer rather than more nuclear weapons and nuclear-weapon States. He had also underscored the need to accelerate the process of nuclear disarmament. In addition to a complete ban on nuclear testing, two actions had always been identified as indispensable: freezing the production of fissile materials for

weapon purposes and the gradual reduction of stockpiles of such materials, either unilaterally or through disarmament agreements. He was pleased to note that steps were being taken in both directions.

55. In August 1998, the Conference on Disarmament had finally agreed to commence negotiation of a treaty prohibiting the production of fissile material for nuclear weapons or other nuclear explosive devices. In furtherance of United Nations General Assembly resolution A/RES/48/75 of 16 December 1993, he had written to the President of the Conference on Disarmament on 28 August 1998 to offer the Agency's assistance in developing the technical verification arrangements for such a treaty.

56. Over the previous two years the Agency had been involved in discussions with the Russian Federation and the United States of America to develop arrangements and modalities for possible Agency verification in the United States and the Russian Federation that nuclear material transferred from the military sector to the peaceful sector remained peacefully stored or was rendered unusable for weapon purposes. He would meet the Russian Minister of Atomic Energy and the United States Secretary of Energy later that week to review progress and set goals for future work.

57. He also welcomed the recent decision by the United Kingdom to be the first nuclear-weapon State to declare the total size of its stocks of nuclear material in both the civilian and military sectors. The United Kingdom had also determined that substantial amounts of fissile material were now surplus to its military programme and would be available for Agency safeguards under the voluntary-offer safeguards agreement between the United Kingdom and the Agency.

58. An important issue that had to be faced urgently, if the Agency was to respond positively to those and other initiatives, was the question of financing. In his view, the establishment of a nuclear arms control verification fund based on an agreed scheme of assessed contributions, which could finance the verification of nuclear arms control and reduction measures, was one option which should be given serious consideration. He had been asked by the Board of Governors the previous week to prepare an options paper on the question of financing, a step which would hopefully speed up the process of agreement on an important matter.

59. Pursuant to the mandate of the General Conference, he had, as stated in his report (GOV/1998/45-GC(42)/15), started consultations with States of the Middle East region, based on the work of his predecessor, to obtain additional and more detailed views on the early application of full-scope Agency safeguards to all nuclear activities in the region, as well as on the kind of material obligations which might eventually feature in a Middle East nuclear-weapon-free zone agreement. As noted in his report, although commitment to nuclear non-proliferation continued to be voiced by all the parties concerned, views still differed with regard to the modalities and timing of applying full-scope safeguards to nuclear activities in the region, and to the establishment of a nuclear-weapon-free zone in the Middle East.

60. In the DPRK, the Agency continued to assert its right to perform inspections under the NPT safeguards agreement, which remained in force. At the same time, it was verifying a freeze of the DPRK nuclear programme at the request of the Security Council and reporting periodically to the Security Council and the Board of Governors. He regretted to report that the measure of co-operation being received from the DPRK had not increased. Three rounds of technical discussions had taken place since the previous session of the General Conference with no progress noted on any of the outstanding issues associated with eventually assessing the extent of the DPRK's compliance with the safeguards agreement. That included the preservation of information which had to remain available to enable the Agency to verify in the future the accuracy and completeness of the DPRK's initial declaration.

61. The Agency's inspection and verification activities in Iraq had resulted in the development of a technically coherent picture of Iraq's clandestine nuclear programme. However, as with all other Agency verification activities, a degree of uncertainty remained as to the completeness of the picture. Such uncertainty was inherent in any country-wide verification process that sought to prove the absence of readily concealable objects or activities. Iraq's lack of full transparency with regard to the provision of certain information regarding the few remaining questions relevant to the clandestine programme brought additional uncertainty into the picture. Nonetheless, that did not prevent full implementation of the Agency's plan for the ongoing monitoring and verification of Iraq's compliance with its obligations under the relevant Security Council resolutions.

62. Since 5 August, Iraq had suspended its co-operation with the Agency and the United Nations Special Commission and had provided access only to "declared sites". As a result, the Agency was unable to inspect any new locations or investigate the few remaining questions and concerns regarding Iraq's clandestine nuclear programme. Under those circumstances, the Agency was not able to fully implement its ongoing monitoring and verification plan, particularly the measures needed to ensure that the past programme would not be revived. Ongoing monitoring and verification constituted an integral whole and the assurances derived depended on the implementation of all the measures. The level of assurance regarding Iraq's compliance with its obligations was at present significantly reduced.

63. Concluding his review of verification and safeguards priorities, he referred to the potential for nuclear-weapons proliferation and for threats to public safety from illicit trafficking in nuclear material and other radioactive sources. The Agency's illicit trafficking database programme had recorded continued incidents of illicit movement of nuclear material and other radioactive sources. In each of the previous two years, over 30 such incidents had been reported. Since September 1997, there had been 15 incidents involving nuclear material and 20 involving other radioactive sources.

64. The Secretariat was continuing its activities to assist Member States in their efforts to prevent, detect and respond to theft, diversion and other unauthorized uses of nuclear material and other radioactive sources. In addition, at the request of the United Nations General Assembly, the Agency was continuing to contribute to the work of the ad hoc committee established by the General Assembly to deal with international terrorism. That committee was

elaborating a draft convention on the suppression of acts of nuclear terrorism and the Agency had to ensure that the new convention built on, and did not overlap with, the Convention on the Physical Protection of Nuclear Material.

65. Turning to the Agency's role in the transfer of technology, he noted that meeting the needs and aspirations of the world's growing population called for the application of the best available technologies. Support for the transfer of nuclear technology for exclusively peaceful purposes was an integral part of the international consensus relating to the peaceful use of nuclear energy embodied in the Agency's Statute and the NPT, and the Agency was the principal vehicle for the multilateral transfer of nuclear technology.

66. The Agency's role was to continue to ensure, where nuclear technology remained the most effective and appropriate technology to address a particular problem, that it was transferred in the most efficient, effective and safe manner. The size of the technical co-operation programme was modest - approximately US $80 million per year - but the impact and results had been outstanding.

67. The sterile insect technique to control pests on an area-wide basis, which had been developed in collaboration with the FAO by the Agency's laboratories, was being increasingly applied in developing and developed countries. In Zanzibar, confirmation of a successful Agency project to eradicate the tsetse fly had enabled the Government to launch a five-year programme on improving livestock productivity to meet the national goal of self-sufficiency in milk and meat products. The experience gained with the Zanzibar project was being used in Ethiopia in an SIT programme that would eventually cover the entire Southern Rift Valley. The use of SIT as a biological technique to replace insecticide use was spreading. In the United States, Argentina, Israel, South Africa and Madeira, for example, the SIT was being applied to control the fruit fly with lower costs and increased effectiveness.

68. In the area of human health, the Agency currently supported 40 national projects and 4 major regional projects to upgrade radiation therapy services and had recently assisted the Governments of Ghana, Ethiopia, Mongolia and Namibia in opening their first radiation therapy facilities.

69. As many as 1 in 900 babies in regions with low iodine diets were born with a thyroid deficiency which could lead to severe mental impairment unless detected within the earliest days of life and treated promptly. The Agency had been supporting national and regional screening programmes in more than 20 developing countries, using the simple and cost-effective radioimmunoassay technique. With the Agency's assistance, Thailand was expected to screen all of the country's newborn children by the year 2000 for thyroid deficiency. Uruguay had already reached 100% screening coverage and three other Latin American countries were screening over 85% of their infant population.

70. Nuclear environmental monitoring techniques had made a major contribution to a regional technical co-operation project in Europe for marine environmental assessment of the Black Sea to determine, inter alia, post-Chernobyl radioactivity levels.

71. In the field of energy planning, the Agency was assisting Egypt and several countries in East Asia and the Pacific in their strategic planning for electricity generation up to the year 2020. The programmes took into consideration all possible options, including renewable energies, and placed special emphasis on the environmental impacts of different options.

72. Through the introduction of a new process of management of co-ordinated research activities and a strategy for technical co-operation, the Agency was seeking to use the most effective and efficient methods of delivering its programme of technology transfer and had become an important catalyst in optimizing the efforts of others. The confidence of Member States, as manifested through their contributions to the expansion of Agency laboratories and their co-funding of specific programmes or loans to projects, testified to the value of the Agency's nuclear applications and technical co-operation programmes. The $8 million loan by the United States Department of Agriculture for the eradication of the screwworm in Jamaica within the next three years was an example of that confidence.

73. However, effective planning for technical co-operation depended on the Agency being able to make sound forward plans on the basis of assured resources from Member States. He expressed appreciation to those Member States who had made extra efforts in 1998 to pledge and pay their contributions to the Technical Co-operation Fund and urged all Member States to pledge their share of the TCF for 1999 in full so that the new biennial programme could start with more predictable and assured resources.

74. To continue to be able to provide high-quality services, the Agency maintained two world-standard scientific and service laboratories: the Marine Environment Laboratory in Monaco and the Seibersdorf Laboratory outside Vienna. It was appropriate, in the International Year of the Ocean, to highlight the unique contribution of the MEL to addressing the global issues of marine pollution. The forthcoming inauguration of the new premises of the Monaco Laboratory, with generous support from the Principality of Monaco and the Government of Japan, would ensure that the MEL was equipped to face the challenges of the next century.

75. Throughout 1998, he had listened carefully to the views of Member States on their needs and priorities and their expectations from the Agency. While the emphasis differed, there were clearly discernible common themes: increasing demand from developing Member States for nuclear technology as indispensable to their process of economic and social development; increasing dependence on the Agency as a centre of excellence for international co-operation in nuclear technology; continued concern about nuclear safety, waste and physical protection; increasing reliance on the Agency's verification system for nuclear non-proliferation and the control and reduction of nuclear weapons; and an urgent need to establish better communication with an increasingly sceptical public.

76. For the Agency, the implications were clear: it had to check that its programmes met the new priorities of Member States, to reach out more effectively to opinion leaders and civil society, and to achieve greater efficiency wherever possible. With those ends in view, one of his first acts as Director General had been to initiate a comprehensive three-level review process covering aspects of the Agency's management and programme.

77. The first level consisted largely of measures to improve efficiency in three areas: policy and co-ordination, programme development and evaluation, and procedures and personnel. In January 1998, he had convened a senior management conference which had led to an action plan for better management. Many of the initiatives had been implemented. He was placing particular emphasis on the creation of a "single Agency" culture to ensure that the Secretariat was clear on its priorities, co-ordinated in its activities and efficient in its processes. A Programme Co-ordination Committee and an Office of Programme Support and Evaluation had been established to ensure the coherence and co-ordination of all Agency programmes. Furthermore, the programme and budget formulation process was being adjusted to place greater emphasis on expected results than on financial details and to facilitate the evaluation of performance.

78. Many actions had been initiated in the area of human resource management to ensure that human resources were better matched to programme requirements. Recruitment procedures had been simplified to expedite the process while preserving the requirement for excellence in the candidates selected.

79. In parallel with internal management reform, he had initiated an external review of the Agency's overall programme by convening a senior expert group to assess priorities and future directions and to present recommendations in October 1998. He expected the programme review to contribute to the Agency's task of identifying, and building consensus on, priorities for the coming years. In consultation with Member States, he intended to prepare an Agency "medium-term strategy" which would chart the direction of the Agency over the next five years.

80. The importance of public understanding of the role of nuclear energy and of the Agency demanded that effective public information be an integral part of the Agency's activities. Accordingly, the third part of the reform process was the continuing review of the role and management of public information and the Agency's outreach to civil society, particularly the nuclear, arms-control and development communities and the media, using the most modern and effective tools.

81. The Agency's Internet home page received over a million "hits" each month and was being made more comprehensive, timely and informative. For areas where the Internet was not widely used, the quality and presentation of printed materials was being improved. He would be canvassing Member States during the months ahead about their interest in an expanded public information programme, including public seminars on nuclear topics.

82. The Agency's Programme and Budget for 1999-2000 had been formulated after lengthy and intensive consultations with Member States. The total 1999 Regular Budget was $219 289 000, which was 0.1% less in real terms than in 1997. It was worrying that, while the Agency's role and mandated activities in verification, safety and technology transfer were expanding year by year, the resources available for the Regular Budget were moving in the opposite direction. The programme budget was a balance between priorities and affordability. In determining what was affordable, Member States should consider both the

short- and long-term dividends from their investment in the Agency and focus their sights on the goals to be attained.

83. The Agency's financial situation continued to be a matter of concern. Unless pending contributions were quickly received, it might not be possible to implement the Agency's programme for 1998 in full. He therefore appealed not only to the largest contributors, but to all Member States that were in arrears or had not yet paid their 1998 assessed contributions to make their payments as soon as possible. He had that morning received an indication that one major contributor would be paying at the end of September 1998. That was good news and he hoped that other Member States would follow suit.

84. In the current period of change, uncertainty and opportunity, the Agency should be able to minimize uncertainties and maximize opportunities. His commitment as Director General was to ensure that the Agency was fully responsive to the needs of Member States, ran a results-oriented programme and conducted operations with maximum efficiency.

85. Serving the Member States was a two-way process: it required dialogue and transparency, but it also required Member States to support the programmes and budgets they had approved. In short, a joint effort was needed for the Agency to meet Member States' requirements, an effort to which he was committed and for which he counted on Member States' continuing support.

CONTRIBUTIONS TO THE TECHNICAL CO-OPERATION FUND FOR 1999
(GC(42)/18)

86. The PRESIDENT said that since 1982 the Agency's policy-making organs had observed a practice of recommending Indicative Planning Figures to serve in fixing annual targets for contributions to the TCF. Following the deliberations of an informal working group, the Board had recommended for the 1999-2000 biennium a target figure of $73 million in each of those years. The early pledging of contributions to the TCF greatly helped the Secretariat in planning the Agency's technical assistance programmes. Delegations in a position to do so were therefore urged to notify the Secretariat during the Conference of the contributions which their Governments would be making to the Fund in 1999. She would report at the end of the session, under a later agenda item, on the contributions which had been pledged up to that time.

GENERAL DEBATE AND ANNUAL REPORT FOR 1997
(GC(42)/5)

87. The PRESIDENT appealed for understanding and co-operation in the arrangement of the daily speakers' list. Adjustments had been made necessary to allow the participation of several Ministers and other senior officials from Member States and international

organizations who were unable to spend the whole week in Vienna. Additional adjustments might be required, but she was confident that the Secretariat would do its best to cope with conflicting demands. She took it that the Conference was in agreement with those arrangements.

88. It was so agreed.

89. The PRESIDENT, pointing out that over 74 delegates had already inscribed their names on the speakers' list, said that she took it that the Conference authorized her, under Rule 50 of the Rules of Procedure, to limit the duration of speeches to 15 minutes, in accordance with past practice.

90. It was so agreed.

91. Ms. PRAMMER (Austria), speaking on behalf of the European Union, said that Bulgaria, the Czech Republic, Estonia, Hungary, Iceland, Latvia, Lithuania, Norway, Poland, Romania, Slovakia and Slovenia associated themselves with her statement.

92. The Agency was widely regarded as a model international organization, and the European Union believed that it could look forward to the new millennium with confidence. The Agency had made every effort to eliminate inefficiencies and weaknesses in order to sustain a high level of achievement and efficiency. However, it was important that a thorough process of critical reappraisal of practices and procedures as well as programmes should take place on a continuous basis. The European Union welcomed the Director General's initiative in setting up a senior expert group to look at all aspects of the Agency's work, complemented by the work of a group of senior managers looking at management issues. Attention should also be given to prioritizing the Agency's activities within and between major programmes.

93. The nuclear tests carried out by India and Pakistan had highlighted the importance of global efforts to minimize the risks of nuclear technology being misused to contribute to the proliferation of nuclear weapons - an area in which the Agency's expertise was constantly needed. The nuclear tests by India and Pakistan constituted a threat to international and regional peace and security, and impaired global efforts to prevent the proliferation of weapons of mass destruction and to bring about nuclear disarmament. The European Union had condemned the actions as running counter to the will expressed by the 150 signatories to the Comprehensive Nuclear-Test-Ban Treaty to cease the testing of nuclear explosives once and for all. It called on India and Pakistan to exercise utmost restraint and to avoid any actions which could provoke a further deterioration of the situation.

94. The European Union remained fully committed to the implementation of the NPT and the CTBT as cornerstones of the global nuclear non-proliferation regime and the essential foundations for the pursuit of nuclear disarmament. Its goal continued to be adherence by all countries to the NPT as it stood, without any modification. It had a strong interest in the peace and stability of the South Asian region, and strongly urged India and Pakistan to refrain from further nuclear tests and the deployment of nuclear weapons or ballistic missiles in order not to aggravate the persisting tensions in the region. It had taken due note of the statements

of both sides regarding moratoriums on further nuclear tests, and believed that those expressions of intent should take the form of legally binding commitments. India and Pakistan should reconsider their nuclear policies; sign the CTBT as it stood and move to ratify it; exert stringent controls over the export of material, equipment and technology controlled under the Nuclear Suppliers Group Trigger and Dual-Use Lists and the Missile Technology Control Regime Annex; make a commitment neither to assemble nuclear devices nor to deploy them on delivery vehicles; and cease the development and deployment of ballistic missiles capable of delivering nuclear warheads. India and Pakistan should also accede to the NPT as it stood without any modification.

95. The European Union wholeheartedly welcomed the establishment of an ad hoc committee to negotiate a treaty banning the production of fissile material for nuclear weapons and other nuclear explosive devices within the framework of the Conference on Disarmament, and particularly appreciated the fact that both India and Pakistan had joined the consensus on that step. It was a very encouraging sign and suggested that it might be possible to achieve substantial progress on other elements of the European Union's declarations.

96. As it attached the utmost importance to the entry into force at the earliest opportunity of the CTBT, the European Union welcomed the recent ratifications of the Treaty by Australia, Brazil, Grenada, Germany, Jordan and Spain. It also welcomed the accession of Brazil to the NPT.

97. The European Union was fully committed to the strengthening of the Agency's safeguards system and welcomed the Board's adoption of the Model Additional Protocol. The Council of the European Union had authorized the Commission to conclude the three additional protocols between the European Union Member States, the European Atomic Energy Community and the Agency.

98. All States having safeguards agreements with the Agency should conclude additional protocols to those agreements as quickly as possible on the basis of the Model Additional Protocol. In particular, India, Pakistan and Israel should conclude such additional protocols without delay and at the same time accept full-scope Agency safeguards. The European Union had noted with interest Cuba's announcement of its intention to enter into negotiations with the Agency on the possible adoption of some of the measures provided for in the Model Additional Protocol.

99. The strenuous efforts undertaken by the Agency in the context of investigating Iraq's clandestine nuclear programme were commendable. The Union condemned the decision by Iraq of 5 August 1998 to suspend co-operation with UNSCOM and the Agency, which constituted a totally unacceptable contravention of its obligations under Security Council resolutions and the Memorandum of Understanding signed by its Deputy Prime Minister and the Secretary-General on 23 February 1998. Iraq should rescind its decision and co-operate fully with UNSCOM and the Agency in accordance with its obligations, and resume dialogue with UNSCOM and the Agency immediately.

100. Turning to the situation of safeguards implementation in the DPRK, she noted that the European Union continued to be concerned that the Agency could not even provide assurance that all the required information pertaining to the evaluation of the DPRK's initial declaration of nuclear activities had been preserved. The Union once more strongly urged the DPRK to respond forthwith to the serious concerns expressed by members of the Agency by complying with its safeguards commitments and co-operating fully with the Director General.

101. It was vital to implement the highest safety standards possible and she urged all countries to do their utmost to operate all their nuclear facilities in line with existing international regulations and recommendations; the fact that the organizational meeting under the terms of the Convention on Nuclear Safety was to take place the following week at the Agency's headquarters and with its expert support was a clear sign of how seriously the Agency took its task to promote nuclear safety worldwide. The European Union welcomed the increasing number of Contracting Parties to the Convention on Nuclear Safety and looked forward to its full implementation. It attached particular importance to a frank and concise exchange of information and views within the framework of the review meetings under the Convention.

102. Finally, speaking on behalf of Austria, she warmly welcomed all the participants and wished them a pleasant stay in her country's capital.

103. Mr. TAKEYAMA (Japan), having welcomed the Republic of Benin as a new Member State of the Agency, said that his country greatly regretted the fact that India and Pakistan had conducted nuclear tests earlier in the year. Japan had urged them to cease such tests and to adhere unconditionally to the CTBT and the NPT. The nuclear tests posed a grave threat to the international nuclear non-proliferation regime and seriously undermined stability in South Asia. The international community should take a firm stand in its efforts to obtain a commitment from India and Pakistan to nuclear non-proliferation. It was for that purpose that Japan had initiated the convening in Tokyo of the Conference on Urgent Actions for Nuclear Disarmament and Non-Proliferation in August 1998. Japan also particularly welcomed the setting up of an ad hoc committee at the Conference on Disarmament to negotiate a fissile material cut-off treaty.

104. Japan had contributed to KEDO's light-water reactor project and had endeavoured to help resolve the nuclear weapons development issue in the DPRK. However, the recent launching of a missile which had flown over Japanese territory was extremely regrettable in the light of efforts to secure peace and stability in the region. Japan had decided, in consultation with the United States, the Republic of Korea and other members of KEDO's Board to suspend work on the project for the time being. It was essential that the DPRK should comply fully with the Agency's safeguards agreement and Japan would support all efforts on the part of the Agency to achieve that end.

105. In the interests of nuclear disarmament and non-proliferation, it was vital to dispose as speedily as possible of plutonium derived from dismantled nuclear weapons, while ensuring that it was not diverted for military purposes. While each nuclear-weapon State was responsible for the management of its own weapons-grade plutonium, the international

community should give support where possible. In that connection, Japan looked forward to progress under the Trilateral Initiative on the part of the United States, the Russian Federation and the Agency to place such plutonium under Agency verification. Japan also intended to encourage co-operation in the construction of a storage facility for excess Russian weapons-grade plutonium and in the burning of plutonium from dismantled nuclear weapons as mixed-oxide fuel.

106. In recent years, the problem of global warming had given rise to serious concern, calling for a mobilization of efforts on a global scale. Noting that Japan had hosted the Third Conference of the Parties to the 1992 United Nations Framework Convention on Climate Change in December 1997, he said that nuclear energy would play a significant role in achieving the targets for greenhouse gas emissions set in the Kyoto Protocol. For its part, Japan intended to pursue the development and peaceful utilization of nuclear energy and hoped that the Agency would play a positive role in discussions in international forums on the role of nuclear energy in preventing global warming.

107. He welcomed the additional protocols approved subsequent to the adoption in May 1997 of the Model Additional Protocol as a step towards strengthening the international nuclear non-proliferation regime. Japan was currently engaged in negotiations with the Agency with a view to implementing an additional protocol in the coming fiscal year and he hoped that Member States which had not already done so would accept comprehensive safeguards and likewise conclude additional protocols.

108. Ensuring safety was an essential prerequisite for the peaceful use of nuclear energy, and the Conference on Nuclear Safety in Asia, launched upon his country's initiative, was discussing how co-operation between countries could ensure nuclear safety in the region. In that connection, he greatly appreciated the Agency's extrabudgetary programme on the safety of nuclear installations in countries in South East Asia, the Pacific and the Far East. In addition, Japan was currently working with other Asian countries to prepare for the first review meeting of the Contracting Parties to the Convention on Nuclear Safety, and was also contributing to the improvement of safety in nuclear power plants in the former Soviet Union and in countries of Central and Eastern Europe.

109. In order to secure a stable energy supply and to reduce the environmental impact of radioactive waste disposal, Japan was pursuing a policy of reusing plutonium recovered from the reprocessing of spent fuel. Accordingly, it was promoting reprocessing in the domestic private sector, and was also promoting the use of MOX fuel in light-water reactors as the most secure way of utilizing plutonium. A new organization, the Nuclear Cycle Development Institute, would be established in Japan in October that year to undertake long-term research and development on fast breeder reactors, nuclear fuel reprocessing, and disposal of high-level radioactive waste. It was important that there should be complete transparency over the use of plutonium, and it was for that reason that Japan made public its plutonium holdings annually to show that it did not keep more stocks than were necessary for the scheduled implementation of its plan for peaceful uses. Japan also complied with the Guidelines for the Management of Plutonium set out in document INFCIRC/549.

110. Turning to administrative and budgetary issues, he said that he appreciated the Director General's efforts to achieve efficient and sound management of the Agency under the current austere conditions. Everything possible should be done to achieve and maintain zero nominal growth in the Regular Budget, and further consideration should be given to ensuring that funds were allocated to major programme activities that were truly necessary. Japan urged all Member States to pay their assessed contributions in full, and to make greater efforts to pay their shares of the target for voluntary contributions to the TCF.

111. In the field of technical co-operation, Japan had carried out a number of activities, including the hosting of the annual International Conference on Nuclear Co-operation in Asia, and had contributed both human and financial resources to the TCF. It would do all it could to continue such co-operation in the future.

112. The work of the Agency was crucial in promoting the peaceful use of nuclear energy and in strengthening the nuclear non-proliferation regime. Japan pledged itself to playing an active role in that work, and he hoped that other Member States would do likewise.

113. Mr. RICHARDSON (United States of America) read out the following message from President Clinton to the General Conference:

> "On behalf of the people of the United States of America, I extend to you warm greetings and best wishes for a successful meeting. The 1998 General Conference affords us an opportunity to reflect on the important contributions of the IAEA to international peace and security. It gives us an opportunity to welcome Dr. Mohammed ElBaradei to the position of Director General. And it allows us to look ahead to the next millennium and to the role this Organization will play.
>
> "The nuclear tests recently conducted on the Asian sub-continent are chilling reminders of a chapter of history many of us had hoped was closed. They remind us also of the work that remains to be done. The entry into force of the Comprehensive Nuclear-Test-Ban Treaty, universally applied, is a global priority. We must also achieve a global treaty ending the production of fissile material for nuclear weapons. And we must realise the goal of all IAEA Member States concluding additional protocols to their safeguards agreements by the year 2000. These are all important priorities.
>
> "The Agency's efforts to establish globally accepted nuclear safety practices and respond to the challenges of illicit nuclear trafficking underscore the role the IAEA can play to assure a safe and secure nuclear future. The IAEA's role is indispensable."

114. As President Clinton had indicated, it was a time of great challenge and opportunity for the Agency and the world community, and also a time of great transition. The 50 years which had elapsed since the dawn of the nuclear age had been marked by nuclear peril and promise. The challenge of the next five decades would be to stay on the path of nuclear peace and prosperity.

115. Over the past 50 years, man had harnessed nuclear energy's peaceful potential and created norms to regulate the acquisition, transfer and control of nuclear weapons and the materials needed to produce them. The nuclear non-proliferation regime which had evolved over that time stood as an impressive global achievement symbolizing the international community's commitment to protecting mankind from the horror of nuclear war and reaping the peaceful benefits of nuclear science. That regime had withstood serious shocks, including those created by Iraq and the DPRK, and he was confident that it would also survive the blow resulting from the recent nuclear tests in South Asia.

116. The United States stood with those countries which condemned the tests conducted by India and Pakistan as a threat to global security and stability. The world must not let slip the unique opportunity it now had to end nuclear testing for all time. He urged India and Pakistan to accede immediately to the Comprehensive Nuclear-Test-Ban Treaty and said that every effort would be made to ensure the ratification of that critically important instrument by the United States Senate.

117. The first five decades of the nuclear age had left an imposing agenda for the international community to address over the next 50 years. It contained six key elements: the reduction of excessively large nuclear arsenals; the control of the vast amounts of fissile material released from such reductions; the conversion to peaceful purposes of complexes for the production of nuclear weapons; resolution of the proliferation concerns in Iraq and the DPRK; the challenge of managing the back end of the fuel cycle and ensuring the safe use of nuclear power; and the further exploitation of the reservoir of peaceful and humanitarian nuclear applications.

118. Firstly, with regard to the need to reduce nuclear stockpiles, he said that after witnessing a massive build-up of nuclear forces over the past 50 years, the world had now entered a new phase of drastic and irreversible reductions. The United States and Russia had made significant progress under the existing arms control agreements and through unilateral steps. Since 1988, the United States had dismantled more than 12 000 nuclear warheads and bombs - an average of over 100 weapons per month over 10 years. It had also eliminated more than 900 missile launchers and heavy bombers, comprising 90% of its non-strategic nuclear stockpile, and the warheads for over a dozen types of nuclear-weapon systems. The United States looked forward to discussions with Russia on even more extensive cuts under a START III agreement, once START II had been ratified by the Russian Duma.

119. Secondly, with regard to the vast amount of fissile materials created during the nuclear arms race, the United States and Russia had together identified approximately 100 metric tonnes of plutonium and nearly 700 metric tonnes of highly enriched uranium as excess to their defence requirements, and had pledged never to return them to military use. Under the Trilateral Initiative, the United States, Russia and the Agency were designing appropriate verification arrangements for the excess material. Even as that work continued, excess material in the United States was being subjected to international monitoring. Earlier in the year, the Agency had verified the dilution of approximately 13 tonnes of American highly enriched uranium into a form of fuel which could not be used in nuclear weapons.

120. All five nuclear-weapon States shared a commitment to making excess fissile material available for international inspection as soon as practicable. In that regard, he welcomed the United Kingdom's recent announcement identifying more than 4 tonnes of weapons-usable material as excess to defence needs. It was to be hoped that all the nuclear-weapon States would emulate that important step. At a recent Summit in Moscow, Presidents Clinton and Yeltsin had signed a statement of principles for long-term co-operation in disposing of excess plutonium under conditions of appropriate transparency and with international monitoring. Disposal could help pave the way for greater reductions in nuclear forces and ensure that such material did not fall into the hands of terrorists. The previous month, the Conference on Disarmament had taken the essential and long overdue step of establishing an ad hoc committee to negotiate a fissile material cut-off treaty, thus bringing nearer an end to the production of new fissile weapons material. Such a treaty was critically important, as it would place a ceiling on global stockpiles of military nuclear material, extend verification to production facilities that had never been subject to international monitoring, and freeze production in regions of concern. The United States expected the Agency to verify the cut-off treaty, and welcomed the opportunity to work with the Agency and the members of the Conference on Disarmament with a view to achieving a rapid conclusion to the negotiations on such a treaty. The United States and Russia were also working together on measures to help ensure that nuclear material in Russia did not fall into the hands of terrorists.

121. The third key element related to the changing role of complexes formerly engaged in the production of nuclear weapons in the nuclear-weapon States. Thus, the national laboratories of the United States Department of Energy were now using their scientific and technical expertise to address global challenges such as climate change, pollution prevention and disease control. Such a redirection of efforts was a priority for other countries too. The Department of Energy was currently co-operating with Russia in developing peaceful employment and economic opportunities for Russian scientists formerly working on the development of weapons.

122. The prevention of further nuclear proliferation, the fourth key element in the nuclear agenda, was a task for which all countries - not simply the nuclear-weapon States - had responsibility. In that regard, two cases - Iraq and the DPRK - merited special attention. In Iraq, the international community sought nothing less than full compliance with the relevant United Nations Security Council resolutions. Although the Agency had uncovered most of Iraq's clandestine nuclear-weapons programme, crucial questions lingered and more work remained to be done.

123. The Agency's work was also not finished in the DPRK. The immediate and overriding objective was to maintain a total freeze on, and achieve full disclosure of, the DPRK's past nuclear activity. He was pleased to announce that the Department of Energy would soon resume canning of spent fuel which might otherwise be available for weapons use. The United States also continued to work with its KEDO partners in the implementation of the Agreed Framework.

124. The existence of nuclear programmes in those two countries had demonstrated the importance of effective safeguards. The United States was proud to have been the first

nuclear-weapon State to sign an additional protocol. Such protocols would provide the Agency with stronger tools for verifying compliance with the NPT. He called on all other States represented at the General Conference to collaborate in achieving the Director General's objective of having all Member States conclude additional protocols by the year 2000.

125. The fifth key element of the nuclear agenda for the next 50 years resulted from the existence of growing stocks of separated civilian plutonium and vast inventories of spent fuel, and from the challenge posed by the need to ensure nuclear reactor safety. In addition, the very viability of nuclear power was being threatened by an absence of strategies for disposing of nuclear material. The task for the future was to develop internationally accepted principles, practices and technologies for the safe, secure and transparent disposal of civilian nuclear material. The existing arrangements pointed in the right direction, but more could be done. A useful start would be to expand the Convention on the Physical Protection of Nuclear Material in order to establish an international, legally binding obligation to protect nuclear material in domestic use.

126. All States with nuclear programmes faced problems associated with the disposal of their spent fuel and radioactive waste. The United States was moving forward with geological disposal of such materials, and he could now announce that the Department of Energy intended to convene a conference in 1999 on global efforts to dispose of nuclear material in geological repositories. The United States would share the results of its own experience and progress, and welcomed input from others. He invited all Member States to attend that conference.

127. Agreement on strategies for managing the disposal of nuclear material was essential to the future of nuclear power. In the near future, the United States would launch its Nuclear Energy Research Initiative, intended to promote research and development on advanced nuclear power systems in line with United States non-proliferation, economic and environmental goals. The Initiative would also promote the safe operation of nuclear reactors, an area in which the Agency continued to play a crucial role. He welcomed the Agency's efforts to assist Governments in implementing strict safety standards, and commended the work of the Advisory Commission on Safety Standards in developing guidelines for nuclear, radiation, transportation and waste safety. He urged the Agency to continue its work with Member States in the areas of operational safety and regulatory infrastructure.

128. The Agency's leadership in that area was further demonstrated by its efforts to address the nuclear safety risks associated with the year 2000 computer problem. The United States intended to provide the Agency with a cost-free expert to help assess those risks and co-ordinate appropriate responses. He invited all Member States to support the General Conference resolution on the year 2000 being sponsored by the United States and the Russian Federation.

129. The sixth key element - exploiting the benefits of atomic energy in order to improve human health and welfare - implied the expansion of nuclear technical co-operation. Forty years previously, the Agency had initiated a programme of technical assistance whose value

amounted to $125 000. The Agency now spent more than $60 million to help developing nations reap the benefits of nuclear science while adhering to internationally accepted radiation safety standards.

130. In line with his country's efforts to collaborate with other nations with a view to increasing the availability of radioisotopes for medical purposes and reducing the cost and intrusiveness of such treatment, he was pleased to announce that the United States Department of Energy, working with Belgium and Finland, intended to supply the Agency with surplus radioisotopes for the production of isotope generators under the Agency's co-ordinated research programme involving experts from 14 nations working on the treatment of heart disease and cancer and the relief of bone pain.

131. The United States also supported the Agency's vital work to ensure that radiation-producing devices used for peaceful purposes were handled and disposed of safely. The United States remained fully committed to helping the Agency exploit the peaceful potential of nuclear energy. Thus, in 1998 it had paid its full share of the TCF and had contributed millions of dollars and considerable cost-free support to various Agency activities. The United States would continue to provide substantial support to the Agency.

132. Having worked throughout its history to ensure that atomic energy was used safely and peacefully and to administer the international safeguards system with skill and competence, the Agency would be called upon to do even more in the coming decades, whether verifying nuclear arms reductions, combating illicit nuclear trafficking, helping States to make informed choices about nuclear power, or applying nuclear techniques to fight disease and starvation. The United States was confident that the Agency would meet those new challenges with the same measure of commitment that it had shown in the past and looked forward to joining in that effort together with other Member States.

133. Mr. Chang-Hee KANG (Republic of Korea), having welcomed Benin as a new member of the Agency and commended the Director General and the Secretariat on their dedicated work and remarkable performance during the preceding year, said that over the past four decades, the Agency had made continuous endeavours to strengthen the safeguards system. In that context, he welcomed the adoption of the Model Additional Protocol in 1997, which he hoped could be brought into force at the earliest possible date. The Korean Government had taken measures to implement an additional protocol and had started consultations with the Agency regarding the subsidiary arrangements. It was currently revising national laws and regulations with a view to implementing all the new safeguards measures.

134. He also welcomed the decision which had been taken the preceding month by the Conference on Disarmament in Geneva to establish an ad hoc committee to start negotiations on a treaty banning the production of fissile material for nuclear weapons and other explosive devices. However, the recent nuclear tests which had been carried out by India and Pakistan ran counter to current global non-proliferation efforts and constituted a threat to regional stability and international peace. The Republic of Korea was gravely concerned that such tests might give the wrong signal to other countries aspiring to a nuclear capability,

particularly in the context of the still unsolved nuclear issue in the DPRK. There was an urgent need for the international community to take concerted action to strengthen the effectiveness of global non-proliferation regimes.

135. His country was deeply concerned by the continuing non-compliance of the DPRK with its obligations under its safeguards agreement. The Director General, in his report on that matter, had pointed out the continuing inability of the Agency to verify the correctness and completeness of the DPRK's initial declaration. He called upon the DPRK to co-operate fully with the Agency in preserving past information and in the monitoring of the nuclear facilities subject to the freeze.

136. The Republic of Korea had already signed the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, and it would be submitting its national report in the coming week to the organizational meeting of the Convention on Nuclear Safety in preparation for the peer review scheduled for April 1999. He urged all other States to join those efforts.

137. Over the past decades, his country had been able to derive more benefits from the utilization of nuclear energy than any other Member State, thanks to the Agency's technical co-operation programme. It currently had 14 nuclear power plant units in operation. It had promoted the peaceful uses of nuclear energy under a comprehensive national policy and had been expanding its programmes to incorporate the development of domestic nuclear technologies. In future it would be focusing its efforts on four areas.

138. Firstly, it would continue to extend its nuclear power programme. During the current year, two more nuclear power plant units had been connected to the grid, one in June with a capacity of 700 MW(e) and the other in August with a capacity of 1000 MW(e). The 1000 MW(e) plant was the result of a project on nuclear power plant design standardization started in 1984. The new plants were safer and more reliable, and their operating procedures had been substantially improved through design simplifications.

139. Secondly, the Republic of Korea would be continuing its R&D programme on the peaceful uses of nuclear energy. A 30 MW(th) research reactor had been designed and constructed by Korean engineers and had been in operation since 1995. The country was expanding its R&D activities to small and medium-sized reactors such as the system integrated modular advanced reactor and the 1300 MW(e) next-generation reactor. Safe management of radioactive waste was another major topic in the country's R&D programme.

140. Thirdly, his country would continue to strengthen its efforts to enhance public understanding of nuclear energy and the Korean Government would be enhancing policy transparency in the implementation of nuclear programmes, including the construction and operation of nuclear facilities.

141. Fourthly, Korea would continue its active involvement in the activities of the Agency's technical co-operation programme. Through its active participation in the RCA, Korea had been able to build up its R&D and industrial capabilities, including nuclear energy production

and the utilization of radioisotopes and radiation. With a view to sharing its experiences, Korea had hosted five regional courses and had held a successful international symposium on desalination the preceding year. During the current year, Korea would sponsor a total of eight training courses and workshops, in addition to an international symposium on the advanced light-water reactor.

142. The Korean Government attached great importance to the amendment of Article VI of the Agency's Statute, which had been the subject of prolonged debate in the Board of Governors. Board membership should be changed without further delay in order to reflect the fundamental structural changes which had taken place over the past two decades in the international nuclear community. He sincerely hoped that a formula for the amendment of Article VI would be adopted during the current session.

143. One of the major challenges of the next century would be to keep the planet safe from the threat of climate change and global pollution. Nuclear power could provide a major source of energy for future economic activities without harming the environment. Thus, the role of the Agency would become even more important in the future. Indeed, the Agency should prepare itself to fulfil new and additional mandates. In that context, he welcomed its decision to set up a senior expert group with an advisory function in the Office of the Director General.

144. In conclusion, he said that his country was still committed to playing its part as a responsible member of the Agency and that it would continue to make every effort to promote the safe, sustainable and peaceful use of nuclear energy.

REQUESTS FOR THE RESTORATION OF VOTING RIGHTS

145. The PRESIDENT drew attention to document GC(42)/INF/11 entitled "Statement of Financial Contributions to the Agency as at 18 September 1998", which included a table indicating those Member States which had lost their voting rights by virtue of the application of Article XIX.A of the Statute. A communication had been received from Belarus, which was among those States to which that Article applied, requesting that its voting rights be restored (document GC(42)/INF/9). Following past practice, that request and any others received would be referred to the General Committee for consideration. The previous week the Board had recommended that the criteria or guidelines which it had endorsed in June 1998 and submitted to the General Conference in document GC(42)/10 be applied at the current session. She would accordingly bring that recommendation to the attention of the General Committee.

146. It was so agreed.

The meeting rose at 1.05 p.m.