



STATEMENT OF THE G-77 AND CHINA AT THE IAEA BOARD OF GOVERNORS, 11-14 JUNE 2001 DELIVERED BY H.E. AMBASSADOR S.H. SHOUKRY SELIM, PERMANENT REPRESENTATIVE OF EGYPT

### **Item 3: The Annual Report for 2000**

Mr. Chairman,

On behalf of the Group of 77 and China, I would like to express appreciation to the Director-General for his detailed introductory statement touching upon the issues under consideration during this Board meeting. I also extend our appreciation to the Secretariat for its efforts in the preparation of the document GOV/2001/13 Annual Report for 2000. We have noted from the Annual Report that there are no significant changes in the presentation and format compared to last year.

We have offered detailed comments during the Programme and Budget Committee meeting on the Agency's Accounts and Programme and Budgetary performances for 2000 and will not repeat these here. We have, however, a few additional comments to offer:

Before I proceed further I would like to bring to your attention the difficulties faced by the members of the Group in making adequate preparations for the Board meeting. During the period between the Programme and Budget Committee Meeting and this meeting the members had to attend various meetings of the regional groups and those of the G-77 and China itself, had to participate in various consultations on the Agency's draft Programme and Budget committee's proposals etc. This meeting of the Board covers many important issues for which documentation totaling about 450 pages has been issued and includes three reports. It is therefore, proposed that in future, an adequate gap be provided between two major meetings of the Agency and a balanced distribution of agenda items be made within the Board Meetings. In addition, the papers for each meeting should be as concise as possible and should be made available well in advance.

Mr. Chairman,

Coming now to the present report, the Group notes that Nuclear Energy continued to contribute to the World's electricity needs and in 2000 supplied about 16% of global electricity. Six new power reactors with a total 3050 MW(e), were connected to their respective national electricity grid in 2000. We note that no new plants are being built or have been ordered in North America and Western Europe. However, increase in the licensed reactor lifetime to 60 years by the US Nuclear Regulatory Commission is a positive aspect for the Nuclear Energy Programme. As most of the development in nuclear power is taking place in many developing countries, assistance of the Agency to them in nuclear power planning is thus necessary so that they may make the correct choices as regards their energy mix. Further help may also be provided to these countries for the development of cost efficient and safe nuclear power plants, should they opt for this choice.

We appreciate the Agency's participation in the global climate change debate particularly in COP-6 and CSD-9. The Agency may continue providing information to the interested Member States on the potential role of nuclear power in the Clean Development Mechanism and orchestrate support for achieving this goals. While respecting the right of each State to choose its projects under the CDM, the Group feels that it is necessary to promote greater innovation, leading to new reactor types and fuel cycle designs that offer enhanced safety features, are proliferation resistant and are economically competitive. In this regard, the Agency's effort in initiating an International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO) and actively pursuing several programmes pertaining to innovative reactors and fuel cycles is laudable. At present it is an extra budgetary effort. This has to be part of the Agency's Regular Budget activity. The Group also believes that nuclear technology also plays an important role in mitigating gases

produced by the use of fossil fuels in power generation. The Agency is requested to highlight this activity in future COPs and CSDs.

The G-77 acknowledges the importance of activities of the Agency in the use of nuclear techniques in the field of food and agriculture, human health and environment. The Group is glad to note that continued importance is given to coordinated Research Projects in 2000.

The Group appreciates the Agency for focusing on the validation of new nuclear tools for diagnosing drug resistant strains of malaria and tuberculosis and also the use of stable isotopes in malnutrition studies to track the intake of vitamins and other nutrients which are the main health problems of developing countries. The Group is also of the opinion that the Agency should continue to support the radio immuno assay (RIA) activities in Member States particularly in its use in diagnosing and managing hormonal disorders.

An area of crucial importance is that of development and management of increasingly scarce water resources. The emphasis of the Agency on the use of the ideally suited isotopic techniques for this purpose is appreciated. The Group also appreciates the coordination of the Agency with UNESCO in the launching of the joint International Isotopes in Hydrology programme.

The Group attaches great significance to the efforts of the Agency in strengthening nuclear and radiation safety around the world. The development and updating of safety standards and guides and preparing technical documents providing review services, enhancing the capabilities of regulatory bodies, conducting training courses, providing assistance to certain countries to upgrade radiation and waste safety infrastructure etc.

The Group notes with appreciation the Agency's outreach policy to engage both traditional and non-traditional partners.

On the whole the Annual Report brings out clearly the excellent work being carried out by the Agency. Furthermore, the Group encourages the Secretariat to continue making its utmost effort to assist members of the Group toward sustainability in three main pillars of national nuclear development, namely, Nuclear and Radiation Safety Programme, Nuclear Technology Application Programme, and Nuclear Power Programme.

With these remarks the Group of 77 and China approves the report for onward transmission to the General Conference.

Thank you, Mr. Chairman.

#### **Agenda Item 4: Technical Co-operation Report for 2000**

Mr. Chairman,

The Group of 77 and China would like to express its appreciation to the Secretariat for the preparation of the document on the Technical Co-operation Report for 2000 and the strengthening of the Agency's technical cooperation activities. We have taken note that the format and structure of the Technical Co-operation report has been changed using data and information produced through a new information technology tool.

The Group expresses its satisfaction for the successful achievements and the progress made in 2000 during the implementation of the TC Strategy. The Group also notes that the appropriate use of the key elements of the strategy, i.e. Country Programme Framework, Thematic Planning and Model Projects have contributed positively to the implementation of the Programme.

Mr. Chairman,

We note that the programme for 2001-2002 had been finalized in consultation with the concerned Member States. Group commitment ensures successful project implementation.

The Group once again reiterates its support to the Model Project Concept. Identification of performance indicators for all model projects will enable the Agency to monitor more effectively the progress in achieving project objectives.

We note with appreciation that efforts have been made to continue the partnership with other international organizations and the Agency is in the process of amending relevant rules for accepting the contributions from other inter-governmental organizations and non-governmental organization.

The Group agrees that the introduction of Regional Resource Centres has significantly enhanced Technical Co-operation among developing countries; increased the sustainability of nuclear science and technology at a regional level; as well as promoted greater "ownership" of projects by Member States.

Mr. Chairman,

The Group appreciates the Agency's effort in creating awareness among the Member States of the need to be more self-reliant in order to sustain the relevance of the nuclear institutions to national development and re-orienting their policies and re-organizing technical and managerial structures. In this regard, the Regional Seminar on "Strategies and Approaches toward self-reliance and sustainability of National Institutions" in Kuala Lumpur, Malaysia was very useful to the Member States.

The Group takes note that the Agency has established a Steering Committee on Clean Development mechanism in the context of mitigating greenhouse gas (GHG) emissions for assisting interested Member States in carrying out national case studies. The Group finds the new section on the Technical Co-operation Programme - TC Web and the Technical Co-operation Project Information Dissemination Environment - TC PRIDE very useful.

The Group welcomes the slight increase in the number of assignments of various types by 6% over 1999. The increase in the number of assignments of national experts is highly appreciated. The Group expresses its satisfaction for the effort made to select experts and lecturers from a given region to another country in the same region. The marginal increase in the number of purchase orders was observed in 2000, although the actual disbursements for equipment went down by approximately 5%.

The Group notes that the "rate of attainment" to the Technical Co-operation Fund (TCF) for the year 2000 was only 78.4%. We urge all Member States, specially major donors to make every effort to pay their voluntary contributions to the TCF in full and on time. It is unfortunate that UNDP funding and internal resources have been reduced. It may be worthwhile for the Agency to find out the reasons for this reduction. The Group expresses concern for the increased pressure on the human resources faced by the Department of Technical Co-operation. We request that the amount of 1 million dollars required to finance additional human resources to assist in managing the TC programme to be approved in the framework of the regular budget.

Mr. Chairman,

The Group takes note of the Technical Cooperation report for the year 2000.

#### **Agenda Item 6: Report of the Programme and Budget Committee**

Mr. Chairman,

Following the conclusion of the PBC meeting last May, the Group of 77 and China has conducted intensive consultations on the draft programme and budget for 2002-2003, including ideas for identifying means to finance the proposed extra expenditure.

The Group takes note of the Secretariat's efforts in identifying additional areas for savings. However, the Group is of the view that any proposed savings and cuts should not adversely affect the implementation of Agency's core activities, especially statutory activities addressing developmental needs of members of the Group.

Mr. Chairman,

The Group is of the view that the current situation is an unfortunate one, which raises a lot of concerns and could endanger the future of the whole principle of implementing the mandate of the Agency. Resorting to exceptional solutions do not represent a secure long term option for the Agency.

In the same vein, the Group re-emphasizes the necessity to preserve the equitable balance between the different statutory activities of the Agency in the fields of technology transfer, verification and safety. By examining the evolution of the Agency's budget specially in the years when it overshot ZRG and considering the 2002 budget, we have come to the alarming conclusion that the balance was seriously upset on those occasions. This is a matter of great concern. In this respect the Group reiterates that it is necessary that all future budgets should properly address this important issue, so as to preserve the delicate balance between different statutory activities of the Agency. Statutory activities, such as technical cooperation and technology transfer of peaceful uses of atomic energy are essential activities which the Agency is mandated to carry out in accordance with its Statute. The Group will thus closely monitor the implementation of such a balance, with a view to ensuring its satisfactory observance.

In the usual spirit constantly manifested by the G-77 and China aiming at consolidating and enhancing the different activities of the Agency, the Group has expressed its flexibility in reaching an acceptable solution to the proposed budget of 2002.

Finally, Mr. Chairman, the Group wishes to express its appreciation to you and the Secretariat for the consultations conducted on this vital issue.

### **Agenda Item 8: Appointment of the Director General**

Mr. Chairman,

The Group of 77 and China has noted with satisfaction the wealth of experience of Dr. Elbaradei, acquired over the years in the Agency, dealing with nuclear and management issues. These experiences have been brought to bear on the conduct of the affairs of the Agency, since his assumption of the leadership of the Agency.

In particular, the Group commends his innovative and efficient style of management, as well as his leadership skills, and therefore, supports his appointment for a second term, in order to continue to benefit from these qualities in the future.

Thank you, Mr. Chairman