



STATEMENT OF THE THE G-77 AND CHINA DURING THE IAEA BOARD OF GOVERNORS, 11-15 SEPTEMBER 2006, DELIVERED BY HIS EXCELLENCY AMBASSADOR HORACIO BAZOBERRY, PERMANENT REPRESENTATIVE OF BOLIVIA

Item 3: Programme Performance Report for 2004-2005

Mr. Chairman,

The Group wishes to thank the Director General for his report in document GOV/2006/41 on the Programme Performance Report for 2004-2005. The Group wishes to inform that it reserves its right to submit its comments on this Agenda item in the near future.

Item 4: Technical Cooperation: Technical Cooperation Fund targets for the 2007 and 2008 biennium:

Mr. Chairman,

The Group of 77 and China would like to thank H.E. Mrs. Aruni Yashoda Wijewardane Ambassador of Sri Lanka and H.E. Mr. Bengt O. Johansen Ambassador of Norway for the balanced report of the Working Group on the Technical Cooperation Fund Targets and Indicative Planning Figures. The Group further expresses its appreciations for their efforts as co-chairpersons of the Working Group and in particular for the able manner in which they have conducted the consultations. Our thanks go also to the Secretariat for their support and the information provided. The Group wishes to seize this opportunity to request that the two papers produced by the Technical Cooperation Department be attached to the report of the Co-chairs.

The Group wishes to reiterate the great importance that it attaches to the Agency's technical cooperation activities, as they are the main statutory vehicle for transferring nuclear technology to developing countries for their socio-economic development. We could not fail to emphasize that the promotion of peaceful applications of atomic energy constitutes a fundamental element of the statutory activities of the Agency.

Mr. Chairman,

Over the years, the Group has participated actively in the discussions and negotiations regarding the TC Programme. By doing so, our membership has sought to ensure that the IAEA technical cooperation activities are strong, efficient and effective in meeting national and regional needs in a sustainable manner. Our Group wanted also that the Technical Cooperation Programme continues to keep up with the growing needs of developing countries in key areas for their sustainable development, such as the peaceful applications of nuclear technology in human health, power generation, industry, water management and agriculture.

One of the most important conditions to achieve this goal is, as stressed by the General Conference resolutions, to ensure that the Agency's resources for technical co-operation activities are assured, predictable and sufficient.

In spite of all efforts made and the introduction of the Rate of Attainment, this objective is far from being achieved. Furthermore, TCF targets have been frozen or registered an insignificant increase from 1999 to 2004, which has led to an insufficient level of the TC programme with a large number of footnote a/ projects without funding. In the meantime, a new system of NPCs has been introduced and payment by developing Member States improved, thus giving an additional indication of a strong commitment by these countries and a further financial contribution to the TCF.

With all this in mind, G-77 and China contributed to the consultations on the TCF targets for 2007-2008 and the Indicative Planning Figures for 2009-2011. The Group has based also its participation on the package of 2003 and the agreement of 2004, which both set the ground of an increase in the TCF target. I would like in this regard to recall that, upon agreeing on the set of measures contained in the package agreement of 2003, the Group stressed that:

Quote "we are confident that the goodwill of all parties and their commitment to the elements of this package will not fade away after the budget increase for safeguards begins to take place" Unquote.

During the meetings of the Working Group, as well as in its consultations with the Co-chairpersons, our Group was engaged in good faith in the negotiations that led to the present consensus and has shown great flexibility that made it possible. Although its initial proposal to set the target for 2007-2008 at 81.5 million USD was moderate and reflects the price increase, as well as it addresses the need for a real increase, the Group indicated that co-chairs proposal of 80.5 million USD constitutes a good basis for a consensus. However, the Group had to make an additional concession and accept a lower figure to avoid the failure of the negotiations due to some intransigent positions.

Indeed, Mr. Chairman, the target of 80 million USD and IPFs of 82 million USD do not meet the expectations of developing countries and do not reflect the expressed support to Technical cooperation.

While agreeing to this compromise, our Group wishes to underline the following:

The reference in the compromise before us to the package of 2003, which indicates that from 2005 onward, TCF targets shall be negotiated based on the changes in the level of the Regular Budget and the price adjustment factor, is highly important for the Group. It should be recalled that the set of measures contained in the package attempted to ensure the necessary balance between all statutory activities of the IAEA. Our Group will remain vigilant to ensure that the spirit in which this package was negotiated and approved will not be abandoned or weakened.

The requirements of the Technical Co-operation Program and the will of the international community, rather than any financing formula, should determine the quantum of the TCF targets and Indicative Planning Figures (IPFs).

The promotional role of the IAEA is a mandate clearly established in many articles of its Statute (articles 2, 3 and 11). Furthermore, that original mandate should now be seen in the light of important new commitments and endeavours undertaken by the international community at a series of recent Summits on economic, financial and social issues (including the Millennium Declaration). Those meetings called for greater synergy within the United Nations system with respect to international cooperation for development - a task with which there is clearly a need for greater involvement by the Agency through its promotional dimension.

There is a basic political commitment underlying the creation of the Agency, which presupposes that the interests of all Member States must be taken into account through the balanced advancement of all its areas of activities. Thus, maintaining a balance between all statutory activities of the Agency is crucial in maintaining a sound, efficient and credible Agency. There is a need for Member States to send a political message that it attaches equal importance to all aspects of its mandate.

Our Group is willing to engage in dialogue about several important issues raised during the consultations. In this context, it is fundamental for the Agency to start considering seriously the issue of making the funding of the Technical Cooperation Programme sufficient, assured and predictable. It is timely to explore all means of achieving such an objective, including through reconsideration of funding sources of the TCF.

The Group takes this opportunity to express appreciation to the delegations that showed flexibility at an early stage of our consultations and for the firm support to Technical Cooperation reaffirmed during the meetings of the Working Group.

Finally, the Group is confident that the goodwill and a spirit of compromise will prevail in our future consultations and allow us to harmoniously find solutions acceptable to all parties.

Thank you.

Item 5: Measures to strengthen international cooperation in nuclear, radiation and transport safety and waste management

The Group of 77 and China wishes to thank the Director-General for his introductory statement in which he highlighted the main topics of the agenda, and commends the Secretariat for preparing all relevant documents including document GOV/2006/40 on "Measures to strengthen international cooperation in nuclear, radiation and transport safety and waste management" in response to resolutions GC(48)/RES/10 and GC(49)/RES/9. The Group wishes also to thank DDG Taniguchi for introducing this agenda item.

Mr Chairman,

The Group commends the work carried out by the Secretariat during 2005 in order to strengthen nuclear, radiation and transport safety and waste management pursuant to the pertinent General Conference resolutions.

The Group welcomes the integration of all Agency's review services related to strengthening and enhancing the effectiveness of regulatory infrastructure and nuclear regulatory bodies in Member States into a new Agency safety service called the Integrated Regulatory Review Service (IRRS). Such an integrated approach based on a self-assessment methodology is expected to have beneficial outputs in developing Member states as long as the Agency's assistance is maintained.

The Group underlines, in this respect, the need for enhancing the Agency's assistance to developing Member States with the view of upgrading their national radiation protection and regulatory infrastructures. In this regard, the Group takes note of the outcome of the International Conference on Effective Nuclear Regulatory Systems and welcomes in particular its recommendations on the necessity for the IAEA to develop its programmes to assist Member States in human resource development by organizing training courses in radiation protection, waste safety, nuclear safety and security training courses at international, regional, sub-regional and national levels.

In this context, the Group emphasises the importance of the related regional projects and postgraduate training courses and requests that the Agency enhance its financial support to these activities. The Group appreciates the activities of the Agency to assist Member States in training assessment methodologies and notes its efforts for a sustainable education and training programme in all safety related fields. In this regard, the Group wishes to request further information on the efforts of the Secretariat to make long term agreements with regional centres hosting the postgraduate educational courses in radiation protection and the safety of radiation sources, as requested by the relevant General Conference resolutions.

On Radiation Safety, the Group welcomes the ongoing efforts by the Secretariat and the World Health Organization in preparing guidelines on the implementation of the International Action Plan for the Radiological Protection of Patients. The Group requests the Secretariat to prepare a paper on the capacities and training needs of individual developing Member States in this important domain.

Mr Chairman,

The Group attaches high importance to the Safety Standards and appreciates the progress in implementing the Action Plan for the Development and Application of IAEA Safety Standards. The Group welcomes the efforts of the Secretariat to enhance the implementation of these standards through information and promotional materials.

The Group also welcomes with appreciation the publication of Safety Guide NS-G1.13 on the Protection

Aspects of Design for Nuclear Power Plants and the ongoing development of guidelines dealing with other occupational radiation protection

The Group encourages further involvement of users, including facility operators, in the preparation and review of safety standards and considers that the revision of the standards should be kept to the minimum at reasonable intervals to allow Member States enough time for their implementation that might require revision of national legislations.

With these remarks Mr. Chairman, the Group takes note of the Director General's report.

Mr. Chairman,

Regarding the two documents submitted for the Board approval, the Group would like to thank the Secretariat for preparing the draft Fundamental Safety Principles as contained in Gov/2006/42 and the draft Safety Requirements of Decommissioning of Facilities Using Radioactive Material contained in Gov/2006/51. The Group expresses also its appreciation for the sponsorship and cooperation provided by other international organizations in developing the first document.

The Group stresses the importance of giving due attention to the financial and regulatory requirements of raising safety standards, particularly in developing countries, and to providing appropriate support for their implementation.

With these comments, the Group agrees to the recommended action on the "Fundamental Safety Principles" and the Draft "Safety Requirements".

Mr. Chairman,

G-77 and China considered the Report of the Chairman of the Meeting of technical and legal experts for Consultations with States with a view to establishing a formalized process for a periodic exchange of information and lessons learned and for the evaluation of progress made by States towards implementing the Code of Conduct on the Safety and Security of Radioactive Sources in Vienna and the attachment to that report on the proposed "Process for the Sharing of Information as to States".

Recalling that it expressed support for the action plan for enhancing the safety of radiation sources and the security of radioactive materials, the Group wishes to emphasise that it welcomes steps taken by the Agency to improve the Safety and security of Radioactive Sources, particularly assisting developing Member States in implementing appropriate infrastructure for the safe management and secure protection of radioactive sources.

The Group would like also to reiterate that Codes of Conduct are legally non-binding and that implementation of measures deriving from such codes are voluntary commitments by Member States.

While it supports in principle efforts of Member States, with the assistance of the Agency, to promote exchange of nuclear safety and security related information, the Group is of the view that the proposed mechanism for information sharing involves organisational and financial aspects and requires careful consideration. Furthermore, the Group regrets that the document under consideration has been distributed as annexe to the safety report and was only circulated in August while the meeting of experts took place early June.

In this context, the Group considers that some aspects still require further clarifications, and requests that these comments and concerns are taken into account and requests that, the action of the Board of Governors will have no impact on the non binding nature of the code, nor on the financial obligations by Member States.

I thank you Mr. Chairman

Agenda Item 7: Strengthening the Agency's activities related to nuclear science, technology and applications

Mr Chairman,

The Group of 77 and China would like to thank the Secretariat for the preparation of the Agency's report contained in Document GOV/2006/47-GC (50)-14. We would also like to thank DDGs Burkart and Sokolov for presenting this Agenda item.

The Group has always given importance to the development of nuclear energy and recognises the role of its peaceful applications in the socio-economic uplift of the developing countries. For this reason, the Group commends the Agency for its efforts in implementing nuclear applications in areas such as the sterile insect technique for the control or eradication of malaria-transmitting mosquitoes, support to the African Union's Pan African Tsetse and Trypanosomosis Eradication Campaign, Programme of Action for Cancer Therapy, innovative nuclear technology, nuclear power infrastructure development and nuclear knowledge. The Group encourages the Agency to continue to intensify its efforts in these areas which are directly linked to human needs in the developing countries.

The Group considers that there is a need for further strengthening these activities with greater participation of Member States, including through increased participation of national and regional resource centres of the developing countries, while ensuring a stronger assistance through training and education, and support to national laboratories. The Group underlines the importance of increased level of transfer of technology to developing countries and a higher interaction of the scientists among all the Member States. In this regard the Group would recommend strengthening of CRP mechanism and its greater synergy with the technical cooperation programme.

I wish now to make some specific comments on the Annexes to the DG report

Annexe 1: Development of the Sterile Insect Technique For the control or Eradication of Malaria-Transmitting Mosquitoes

The Group of 77 and China expresses its appreciation for the efforts undertaken by the Agency since 2004 in the field of using Sterile Insect Technique for the control or Eradication of Malaria-Transmitting Mosquitoes. We notice with appreciation that important activities were carried out in Sudan and in île de la Réunion. Research and Development on mosquito population genetics have been undertaken during 2004-2005 with the aim of assessing their suitability for an SIT feasibility study and to understand mosquito population distribution and isolation as a basis for better strategic planning of malaria intervention.

Furthermore, the Group is pleased to register that the Agency through its laboratories at Seibersdorf intensified research on sterilisation, mass rearing and sexing during 2004-2005. Two CRPs were approved in the reporting period relating respectively to colonization and mass rearing aspects of mosquitoes, and on adult male biology post-release.

In the field of training and expertise, we commend the Agency and concerned Member States for having trained nine fellows from malaria endemic countries, as well as we notice that an expert mission was implemented in order to assess the technical feasibility of an SIT programme for the control of malaria vectors at specific sites. We encourage the Agency and Member States to continue providing training, assistance and equipment in order to help making further progress in the implementation of the Objectives of this strategy adopted in this regard.

We also share the view with the Secretariat that the Agency should combine the work in the laboratory and

in the field, to achieve a meaningful feasibility study of SIT for malaria transmitting mosquitoes and to prepare its implementation.

In addition, the Group would like to reiterate its support to the use of the Sterile Insect Technique and other nuclear techniques in combating Malaria transmitting mosquitoes, tsetse, and Locust and encourages the Agency to continue its efforts in this regard.

In this context, In addition, the G-77 and China is pleased to note that in accordance with the resolution GC (49) RES 12, a regional Conference on approaches for integrated combating of locusts was held in Algiers from 23 to 24 July 2006 with the participation of many African countries and of representatives from the FAO and IAEA.

The Conference recommended the integration of nuclear applications in combating locust in order to set up a new cooperative and integrated approach and called for the establishment of a regional centre for studies and training. In this regard, we encourage the Agency to provide appropriate assistance in implementing this initiative.

Concerning Annexe 2 dealing with the support to the African Union's Pan African Tsetse and Trypanosmos Eradication Campaign (AU-PATTEC), the G-77 and China is pleased to see that the Agency is continuing its contribution to the implementation of the PATTEC Plan of Action through regional and national projects in different African countries who received technology transfer on feasibility assessment, training, expert services and equipment. It is also encouraging to notice that a financial support was established with the African Development Bank.

In the same vein, we encourage the Agency to continue exploring partnership with International Organisations including FAO and WHO to facilitate the implementation of the campaign in the context of overall sustainable agriculture, livestock and rural development.

Furthermore, the Group encourages the Agency to continue its support through TC project ETH/5/012" Integrating Sterile Insect Technique for Tse Tse Eradication. We also commend the Secretariat for the efforts aiming at fostering partnership for PATTEC through its representation to different meetings held with other stakeholders with a view to improve and enhance the implementation of projects and assuring additional financial resources.

Programme of Action on Cancer Therapy (PACT)

As far as programme of action for cancer therapy is concerned, the Group of 77 and China wishes to express its appreciations to the Pact Programme Office (PPO) and its staff for the devotion and all efforts they are making to ensure an effective and efficient implementation of PACT.

The Group is pleased to register that the Agency together with other international organisations and partners are joining their efforts on cancer prevention and control. The Group welcomes the outcomes of the important meeting held in April 2006, with the objective to establish joint work with the PPO on integrated missions to assist countries in setting up their national strategies and to prepare a concept paper on cervical cancer with a view to approaching potential donors. The Group is also pleased that a memorandum of understanding was signed in April 2006 with the WHO Regional Office for the Eastern Mediterranean (EMRO) to support the advancement of cancer prevention and treatment in the region. A proposal for joint action for enhancing cancer control is currently being considered by EMRO.

While acknowledging the efforts of the Secretariat to address the shortfall in the funding of PACT, the Group regrets that the Board, in its meeting of June 2006, was not able to reach consensus regarding the use of the 2004 cash surplus to partly finance PACT during 2006-2007. Given the importance and humanitarian nature of the issue, and in view of the urgent need to provide funding for PACT, the Group hopes that the

Board can adopt the draft resolution contained in the document GOV/2006/25/Mod.1 dated 26 April 2006 and the recommended action in GOV/2006/25/Rev.1, which is before us today, by consensus.

The Group wishes to emphasize that supporting PACT should be seen as part of the international community's appropriate response to the projected 10.3 million people that could be killed by cancer by 2020, unless the international community acts. The available technology, know how and material covers only a fraction of the needed radiation treatments facilities. Over 30 countries still have no access to radiotherapy, an essential part of the treatment of cancer. In this context, PACT embodies in a clear way the peaceful use of atomic energy for civilian and humanitarian purposes. The Group will therefore be tabling a resolution on PACT at the 50th regular session of the General Conference, and will continue to do so until concrete and sustainable action is made by the international community to adequately address this disease.

The Group is therefore pleased to note the Report by the Director General on the Agency's Cancer Policy, which seeks to develop an Agency-wide strategy for the implementation of PACT, making use - inter alia - of available Agency information, identified resources, and of synergies and interactions across all relevant departments, as well as raising funds from extra-budgetary resources.

The Group wishes to take this opportunity to express its appreciation for the financial and other contributions and pledges made by Member States and others to PACT, and encourages other Member States to similarly contribute to the PACT to enable the PPO to implement its strategy including establishing regional networks on cancer training centres in Africa, Asia and Latin America over the next three to five years. The Group calls upon all contributors to provide the Secretariat with required flexibility in the use of their voluntary contributions.

Mr. Chairman,

The Group welcomes the increasing membership and developments under INPRO, since the last General Conference, and notes with appreciation in particular the completion of Phase-1B. The Group looks forward to the publication of the User's manual covering all areas of INPRO methodology, which will assist Member States in assessing innovative nuclear energy systems (INS) and identifying promising ones, which can contribute to sustainable development.

The Group further notes the development of INPRO portal and the organization of training at a workshop on the application of INPRO methodology for participants from 28 countries including 10 non-INPRO members.

The Group notes the proposal to review the INPRO manual chapter on economics by the GIF working group and encourages complementary and increased cooperation with Generation IV International Forum for innovative technology development.

Under Major programme 1, the Group notes with appreciation the efforts of the Agency to assist interested Member States in innovative nuclear technology development through scientific and technical information exchange and collaborative R&D, specifically through the publication of TECDOCS at the conclusion of relevant CRP's leading to the establishment of Thermo-Physical Materials Properties database for light water reactors and Heavy water reactors.

In the area of issues related to Fast reactors, the Group notes the organisation of technical meetings providing a global forum for information exchange.

The Group notes and encourages collaborative efforts by the Agency with OECD/NEA on ADS for energy production and transmutation of long lived nuclides, the research activities in High Temperature Gas Cooled reactors, software up gradation in nuclear desalination and initiation of a new Coordinated Research Project (CRP) on Small and Medium sized reactors without on-site refuelling and on nuclear data relevant for the

Thorium/Uranium fuel cycle providing data for design calculations of innovative fuel cycles. It also notes the publication of reports issues related to Small and Medium-sized Reactors (SMRs).

On non-power applications, the Group looks forward to the progress of the new project on nuclear hydrogen production, which will facilitate information exchange and coordinate research and development work and the tool for the economic evaluation of nuclear and non-nuclear production methods.

The Group notes that in view of the increased demand for uranium, the Agency has reoriented its programme to meet the needs of Member States and organised Technical Meetings and intends to publish reports based on the outcome of these in order to outline the best practices in Uranium exploration and production cycle.

The Group appreciates all Agency's initiatives aimed at improving power reactor fuel performance and the management of spent fuel through relevant CRPs and looks forward to the publication of the report on fissile material management strategies for sustainable nuclear energy beyond 2050.

Mr. Chairman,

The Group notes that there has been a significant increase since GC-49 in the number of Member States expressing interest in nuclear power.

In this context, the establishment of an inter-departmental group in the Secretariat to develop a coordinated approach to providing support to interested Member States is noted. It is further noted that this group has identified several policy issues and has proposed means of improving coordination within the Agency of the required actions.

The Group also notes that under MP-1 project, strengthening national and regional nuclear power structures, the publication of a TECDOC providing initial guidance on the infrastructure a country needs to develop in order to ensure its preparedness for introducing nuclear power. The Group also looks forward to publication of another document, which will serve as a supplement to the earlier one on all related issues. The Group further notes that this will provide guidance on what can be achieved on short-term basis by Member States planning to introduce nuclear power.

The Group notes that there are currently TC projects related to the development of Nuclear Power Plants for six Member States as well as others for production of desalinated water and also several others for energy planning for countries which do not operate NPPs and would like to be kept informed on the status and progress of these periodically.

On future issues, the Group encourages the Agency to work out cost effective strategies to address the various aspects identified.

Mr. Chairman,

The Group wishes to express its full support to all activities of the Agency undertaken and envisaged under Nuclear Knowledge. In particular, it notes the strategy paper "Role and Strategy of the IAEA in helping Member States to Manage Nuclear Knowledge" which identifies several key areas to be addressed by the Agency with a view towards meeting this objective.

The Group also notes with appreciation the publication of guidance documents on 'Knowledge Management for Nuclear Industry Operating Organizations' and 'Risk management of Knowledge loss in Nuclear Industry Organizations' and the organization of workshops in the four TC regions under the Agency's TC programme.

The Group endorses the Agency support to the World Nuclear University Summer Institute fellows. The Group firmly believes that this activity provides a very cost-effective solution of ensuring the availability of qualified manpower for the nuclear sector and encourages the Agency to continue to support a significant number of candidates from developing countries as during the first summer institute.

The Group commends the Agency on its ANENT platform established in 2004 and operational in 2005, which provides a long-distance learning platform for teachers and students and also for adopting guidelines for developing human resources for nuclear science and technology including the establishment of African Education Network in Nuclear Science and Technology (AFRA-NEST) at a regional meeting in Senegal in July 2005.

In the context of preserving Nuclear Knowledge, the Group appreciates the Fast Reactor Knowledge preservation initiative and the active contribution of International Nuclear Information Service (INIS) to the preservation of information with the digitization of over 1.5 million pages as part of non-conventional literature (NCL) collection.

The Group encourages the Agency to explore and assess options for coordinated implementation and synergies between INIS and Library and Information Support to be used for Agency's nuclear knowledge preservation activities.

Statement of the G-77 and China on 25 September 2006 during the IAEA Board of Governors Meeting, delivered by H.E. Ambassador Horacio Bazoberry, PR of Bolivia

Agenda item 1: Programme of Action on Cancer Therapy (PACT)

Mr Chairman,

The Group of 77 and China thanks the Secretariat for the revised version of the report on Programme of Action on Cancer Therapy (PACT) and wishes to express its appreciations to the Pact Programme Office (PPO) and its staff for the devotion and all efforts they are making to ensure an effective and efficient implementation of PACT.

The Group is pleased to note that a consensus is now possible on the proposed decision to suspend the rule 7.03 (c) of Financial Regulations until 31 October 2006 on an exceptional basis. This decision will allow Member states to notify the Secretariat whether they wish to voluntarily contribute all or part of their respective individual allocations of the final cash surplus from the 2004 regular budget towards the minimum funding requirements of PACT in 2006 and 2007.

G77 and China congratulates you for this achievement and expresses appreciation to Member States for their flexibility and to the Secretariat for the efforts to address the shortfall in the funding of PACT. The Group calls on all Member States to notify to the Secretariat, by October 31st, that they give up their share of the cash surplus from the 2004 to permit its use for meeting the urgent requirements and probably funding other activities of the programme.

Mr Chairman,

Given the importance and humanitarian nature of the issue, the Group wishes to emphasize that supporting PACT should be seen as part of the international community's appropriate response to the projected 10.3 million deaths that could be caused by cancer by 2020, unless the international community acts. In this context, PACT embodies in a clear way the peaceful use of atomic energy for civilian and humanitarian purposes. The Group is therefore pleased that its draft resolution on PACT has been adopted by consensus at the 50th regular session of the General Conference.

The Group wishes to take this opportunity to express its appreciation for the financial and other

contributions and pledges made by Member States and others to PACT, and encourages other Member States to similarly contribute to this programme to enable the PPO to implement its strategy including establishing regional networks on cancer training centres in Africa, Asia and Latin America over the next three to five years. The Group encourages all contributors to provide the Secretariat with required flexibility in the use of their voluntary contributions.

I thank you Mr Chairman.