



STATEMENT OF THE G-77 AND CHINA AT THE IAEA BOARD OF GOVERNORS, 16-19 JUNE 2003 DELIVERED BY H.E. AMBASSADOR ROBERTO ABDENUR, PERMANENT REPRESENTATIVE OF BRAZIL

Agenda Item 2: The Annual Report for 2002

Madam Chairman,

On behalf of G77 and China, I would like to thank the Director General for his introductory remarks and the Secretariat for preparing the Annual Report for the year 2002 as contained in Agency document GOV/2003/30. The Group appreciates the format and content of the Report, which allows for easy access to the information needed on various subject areas. The account of significant achievements during 2002 has been rendered under the classification of the three traditional pillars of the Agency's activities, i.e., technology, safety and verification. However, the introductory chapter, with the caption "The Nuclear World in 2002", gives more of a descriptive review rather than a thematic analysis as perceived by the Agency.

TECHNOLOGY

Madam Chairman,

The Group of 77 and China greatly appreciates the achievements mentioned under various categories of the activities undertaken during 2002, for which both the Agency and developed Member States deserve equal credit. The Group believes that a more strengthened interaction between the developing Member States, the Agency and developed countries will further promote the prospects for results having visible impact on end users. In the technology area, the Group notes that more emphasis on nuclear power, waste management and preservation of nuclear knowledge is needed. The Report has underemphasized the importance and achievements in innovative reactor and fuel cycle technologies, in this area. This important project has been diffused into the activities of Generation IV Information Forum (GIF) and the Michelangelo initiatives. Much more work has been done in INPRO than actually reported. The progress should be duly reflected, on the basis of the reports available. The Agency's achievements during 2002 in the area of food and agriculture, with particular focus on Africa, better utilization of nuclear medical and radiotherapeutic techniques and enhancement of efforts in research on nutrition in the least developed and developing countries, are praiseworthy.

Madam Chairpman,

The Group of 77 and China has noted that the Annual Report does not give clear and adequate description of the technology transfer component achievable through the promotional activities. Further, the Annual Report could also include data on training and scientific visits associated with various regulatory and promotional programmes. The inclusion in the Annual Report of information on the activities of regional agreements such as RCA, AFRA, ARCAL and ARASIA would benefit Member States.

The coordinated research projects play a very important role in the advancement of the cause of the Agency's technical programmes. The Annual Report lists only the CRP's, but does not give a comprehensive assessment of their results or impact on the overall programme. The Group notes with concern that out of the TC disbursements by the Agency according to Programme and Region in 2002 a major portion of funds has been allocated to Europe, despite the fact that Europe is by large economically and technically more developed than other regions.

SAFETY AND SECURITY

Madam Chairman,

The safety of nuclear installations and their operators is of very high importance to the Group of 77 and

China. Considerable activities which, according to the present Annual Report undertaken by the Agency and Member States cover such diverse areas as radiation safety, nuclear installation safety and waste safety. The Group feels that in the Chapter entitled "Safety of Nuclear Installations" the Agency has not given an adequate description on the current status of process of establishing an international code of conduct on the safety of research reactors.

The Group hopes that the Agency will put this matter in its proper perspective. Nuclear safety and security have been put together in the introductory chapter entitled the "Nuclear World in 2002". This is in line with the proposal made by the G77 and China last year which called for separating security from safeguards. However, in the main part of the text of the present Annual Report, verification and security are tackled exist in the same chapter.

The Group of 77 and China has noted with satisfaction that considerable work has been accomplished in the year 2002 in areas such as international safety standards, building infrastructure for greater safety and transparency in the preparation of guidelines on safety. The Group also notes with appreciation the work carried out in the area of nuclear security, including efforts to control illicit trafficking of nuclear material. The Advisory Group on Nuclear Security (AdSec) has met several times and has reportedly made recommendations on the Agency's security related activities and programmes. But no mention has been made in the Annual Report about the nature of these recommendations. The Group believes that publication of the AdSec's relevant recommendations will benefit the Member States in implementing their nuclear security programmes.

VERIFICATION

Madam Chairman,

All Member States of the G77 and China firmly believe in the need for an effective and efficient safeguards system. It is necessary that the safeguards system should be based upon robust technology, good management strategy and cost effective operations so that it remains well within the economic reach of the Member States and enjoys a smooth and sustained progress. Furthermore, the Group strongly believes that a balance between verification and other statutory activities of the Agency is of vital importance for achieving the objectives for which the Agency was created. The Annual Report should reflect this important aspect in its contents.

With these observations and remarks, Madam Chairperson, the Group of 77 and China would be pleased to take note of the Annual Report for 2002 as contained in the document GOV/2003/30.

Thank you Madam Chairman.

Agenda Item 3: The Technical Co-operation Report for 2002

Madam Chairman,

At the outset, the Group wishes to express gratitude to Ms. Ana Maria Cetto the first woman Deputy Director General appointed in the Agency's 45 year history, for her comprehensive introductory statement.

Strong government commitment to project objectives is essential and the Group is pleased to note that the Agency gives full consideration to increasing ownership by States as a key success indicator while finalizing the Technical Co-operation programme for 2003-2004. Thematic plans prepared by the Agency for food irradiation, river basin management and the role of isotopic techniques in the control of communicable diseases are adequate.

Now that the Agency has created a separate fund for carrying out activities in the field of Nuclear Security, the Group is of the opinion that physical protection and nuclear security programmes in Europe, where the Technical Co-operation Fund (TCF) is being partly used at present, should be fully financed through the Nuclear Security Fund.

The Group notes with appreciation that the Secretariat has been working with Member States, within

regional groups, in identifying regional resource centers and in developing and refining outsourcing mechanisms to enhance Technical Co-operation among developing countries (TCDC). In addition, outsourcing has been identified as an important way to enhance and intensify TCDC, while increasing the operational effectiveness and efficiency of the implementation of the TC Programme.

As recommended by SAGTAC, the programme approval process requires a new approach, in order to improve efficiencies. The Group has taken note of the fact that the Secretariat has reviewed the entire programme cycle of the technical Co-operation planning process, and has taken appropriate steps by simplifying the TC request form and developing an internet system to prepare an electronic request for procurement.

Even though as per the resolution GC (44)/RES/8, the rate of attainment set for 2002 was 85%, actual payments to the fund stood at 79% of the target for 2002. We therefore request the Member States, in particular the Major Donors, to pledge and pay their respective share of TCF targets on time.

The Group appreciates the Secretariat's effort in publishing a new brochure entitled "Science Serving people" and in launching a Website informing people about how the Agency is helping to harness scientific knowledge to promote development and deliver real benefits to the developing world.

Evaluation of activities undertaken by the Technical Co-operation programme is essential. The Group of 77 and China attaches importance to the evaluation of three activities conducted during 2002, namely: a comprehensive evaluation of the programme planning process; an evaluation of Technical Co-operation projects on land remediation in Central and Eastern Europe; and an evaluation of projects in crop improvement for food and agriculture. The Group is pleased to note that there are no adverse remarks in the evaluation report. We request the Secretariat to implement the suggested recommendations on evaluations.

The Group strongly believes that more efforts need to be made to raise awareness and change the minds of potential partners and to reverse the public opinion about nuclear technology. Governments and donors should consider the Agency as an important contributor in the areas of sustainable development - water, energy, health and agriculture - in which the Agency's Technical Co-operation programme has contributed immensely in developing countries. The Technical Co-operation programmes require greater resources for achieving its objectives. Even though the Technical Co-operation strategy established an ambitious objective of a 25% increase in extra budgetary resources by 2007 (based on 2002 data), it is not very clear how the Agency is going to achieve this objective.

The increasing difficulties faced by the Agency in the implementation of Technical co-operation projects because of the refusal by a large number of airlines, sea carriers, airports, marine ports etc. to accept the transportation of sealed sources and radioactive material need to be resolved soon. This obstacle has a negative impact on the sustainability of projects that have been implemented.

It is appropriate to underline the efforts that have been made to continue the partnerships with non-traditional funding organizations and the improved impact of TC projects through partnerships with the operational activities of other organizations. The Group invites the TC Department to further intensify efforts in achieving this goal.

With these comments the Group requests the Director General to transmit the Report to the General Conference for information.

I thank you, Madam Chairman.

Agenda Item 5: Nuclear Security - Measures to Protect Against Nuclear Terrorism

Madam Chairman,

The Group of 77 and China wishes to thank the Secretariat for preparing the document on Nuclear Security - Measures to Protect Against Nuclear Terrorism as contained in document GOV/2003/38. The Group has carefully reviewed the document and would like to make the following comment:

The Group appreciates the Agency's efforts in planning and implementing the nuclear security plan activities as described in document GOV/2002/10, the Group is of the view that despite these efforts the Agency should continue to accord highest priority to effective implementation of its plan of activities for nuclear security. Particular emphasis should be given to those activities with direct impact in Member States.

In this context, the Group is fully convinced that broad coverage of nuclear security and radio-active issues should be improved through training courses, workshops, seminars and international and regional courses.

Madam Chairman,

As regards resources, the Group is gravely concerned that US\$ 1.5 million is allocated to respond to requests from recipient countries through Technical Cooperation, and that amount is directed to carry out nuclear security activities in Europe, this trend is not consistent with the Group's position stated earlier, that any nuclear security activity should not be implemented at the expense of the Technical Cooperation Programme. Having said that, the Group is not in a position to agree to para 10 of the document and calls upon the Secretariat not to utilize this fund in any other activities except for Technical Cooperation Programme.

Madam Chairman,

The Group is aware that the Director General has established the Advisory Group on Nuclear Security (AdSec) to advise him on the Agency's activities related to nuclear materials. Despite the fact that the Group has repeatedly requested information on the work of the AdSec, the Group has not been informed on this issue. Therefore the Group reiterates its request to be advised of the AdSec activities.

Agenda Item 8: Restoration of voting rights

Madam Chairman,

The G-77 and China is concerned about the loss of voting rights by 29 developing Member States, as well as about the accumulation of arrears that currently affects 50 Member States, which is not conducive to a fully participatory, egalitarian and strengthened Agency.

This situation constitutes a warning signal that the Agency's Regular Budget has already reached a level that is beyond the payment capacity of a segment of Member States. Therefore, in order to ease the financial burden of Member States in arrears, the G77 & China would like to see an extension of the period of payment plans from 5 to 10 years, as is the case in other organizations belonging to the United Nations family. The flexibility of requirements to enter into such plans should also be considered.

The proposal for an extension of payment periods started to be examined during the debates of the Committee of the Whole of the 46th General Conference. However, at the request of some Member States, the General Conference, through decision GC(46)/DEC/8, requested that this matter be dealt with during the current meeting of the Board.

Failure to reach a consensus on this matter last year may have, inter-alia, led to the recent withdrawal of one State from the Agency. For this reason, the G-77 and China encourage this period of sessions of the Board to take a timely decision on this matter, so as to facilitate the preparation of the necessary documents by the Secretariat, as well as to allow Member States to take opportune steps to recover their voting rights in time to fully participate in the IAEA's 47th General Conference next September.

Thank you Madam Chairman.

