

STATEMENT OF THE G-77 AND CHINA DURING THE IAEA BOARD OF GOVERNORS MEETING 3 - 5 MARCH 2008 DELIVERED BY H.E. AMBASSADOR SHAHBAZ, PR OF PAKISTAN

Mr. Chairman,

At the outset, I wish to thank the Director General for his introductory statement. The Group of 77 and China would like to comment on the specific agenda items now under discussion.

Item 3: Nuclear Safety Review for the Year 2007

Mr. Chairman,

Allow me to express, on behalf of the Group of 77 and China, my appreciation to the Secretariat for preparing the report on Nuclear Safety Review for the year 2007, as contained in document GOV/2008/2 and its two supporting notes. I also wish to thank DDG Tomihiro Taniguchi for introducing this Agenda item, as well as the Secretariat for the briefing held on February 22nd.

The Group would like to once more reiterate the great importance it attaches to nuclear safety, which we believe is a global concern, and must constitute one of the fundamental elements of any nuclear programme. In this regard, the Group notes with satisfaction that the report points out that a high level of safety performance has been maintained by the nuclear industry worldwide throughout the period under consideration

While underscoring the importance of the "renaissance" of nuclear power, which derives both from the pressing need for cleaner sources of energy and from the heightened confidence in the reliability and safety of nuclear reactors, the Group notes with concern that this renewed interest is being confronted with a shortage of skilled professionals, which may pose challenges for the maintenance and possible improvement of current levels of safety performance.

In this regard, the Group underscores the need for the Agency to continue playing a key role in providing technical assistance to Member States' efforts aimed at responding to those challenges. In particular, the Group reiterates its position in favor of the enhancement of financial support to training activities and in particular to postgraduate training courses and to consider concluding long-term agreements with institutions hosting such courses.

We also reiterate our view that, notwithstanding the good record achieved so far in the field of safety and radiation protection, Member States should avoid complacency and keep improving their national infrastructures in line with improved IAEA safety standards and technological developments, with the Agency's assistance.

The Group underlines the importance of the safety review services of the Agency and encourages the reinforcement of the synergy between its activities and those of the World Association of Nuclear Operators (WANO) in this field.

The Group also expresses its interest in further developing a broader understanding of the mutual and multifaceted relationships between nuclear safety and security, and in this regard we look forward to the conclusions of the report on safety/security synergy currently under preparation by the International Nuclear Safety Group (INSAG).

Mr. Chairman,

Regarding the incident and emergency reporting, the Group notes with concern the reported nuclear and radiological incidents in 2007 as reflected in the report. During 2007, the Agency's Incident and Emergency Centre (IEC) recorded 140 events involving or suspected to involve ionizing radiation.

Bearing in mind that, as indicated in paragraph 29 of the report, the failure to follow established procedures in industrial radiography applications continued to be the major cause of radiation exposure related events in 2007, the Group deems it necessary that Member States and the Agency redouble their efforts aimed at developing and implementing appropriate preventive measures, as well as reinforcing capacities for radiological emergency response.

In this regard, the Group encourages the Agency to continue its efforts towards strengthening its Incident and Emergency Center, thereby contributing to reinforce the capabilities of Member States in responding to radiological emergencies and security incidents.

By the same token, the Group welcomes the publication by the Agency of a Manual for First Responders to a Radiological Emergency, co-sponsored by the International Technical Committee for the Prevention and Extinguishing of Fires (CTIF), the Pan American Health Organization (PAHO) and the World Health Organization (WHO).

The Group also expresses its support to the information-sharing mechanisms related to nuclear incidents operated by the Agency, namely the Incident Reporting System (IRS) and the Incident Reporting System for Research Reactors (IRSRR), and encourages interested States to participate in those systems by providing information on relevant events with safety implications.

The Group also underscores the need for Member States to cooperate with the Agency towards full implementation of the Response Assistance Network (RANET).

Mr. Chairman,

The Group takes note of the assistance provided by the Secretariat through its activities on the effective Application of the non-legally binding Code of Conduct on the Safety of Research Reactors, in particular by means of the regional workshops on the issue held in 2007, which have contributed to identify areas in which member States may require assistance in order to meet its guidelines. While recalling the voluntary nature of the Code, the Group encourages both the Secretariat and Member States to continue this valuable exercise, in particular by means of the international meeting on the issue to be held in 2008.

The Group would like to express its support for the work of the International Expert Group on Nuclear Liability (INLEX). The Group takes note of the activities undertaken by INLEX in 2007, in particular its discussions about adequate steps to address possible gaps and ambiguities in the existing nuclear liability regime, as well as about gaps in insurance coverage.

Mr. Chairman,

Turning to the issue of Fuel Cycle Facility Safety, the Group welcomes the conduct by the Agency of a national training course related to operational safety of fuel cycle facilities for the first time in China.

The Group also reiterates its interest in the benefits of the service of Safety Evaluation during Operation of Fuel Cycle Facilities (SEDO) and takes note with satisfaction of the successful implementation of its first mission to a uranium fuel fabrication facility in Brazil.

The Group shares the views expressed in paragraph 87 of the report as regards the fact that the extension of

the scope of SEDO requires lots of efforts, and encourages the Secretariat to explore ways and means to conduct such missions in interested Member States, particularly Developing Member States. The Group also will expect with great interest the update of the SEDO service based on the lessons learned further to the aforementioned first pilot mission.

The Group attaches a high importance to the radiation protection and encourages the Agency to continue the cooperation with other international organisations in order to find out solutions with a view to promoting harmonized implementation of radiation protection standards. In this regard, the Group awaits with interest the updated draft of the Basic Safety Standards (BSS) which is expected to be submitted to Member States during the coming year.

The G77 and China also looks forward to the Agency continuing its activities in assessing the radiation protection capacities of Member States and providing appropriate assistance.

With regard to the radiological protection of patients, the Group notes with concern the increasing levels of radiation exposure resulting from medical procedures. The Group encourages the Secretariat to continue delivering appropriate training to ensure a sustainable capacity in this field and welcomes the establishment of the Asian Network of Cardiologists in Radiation Protection. Through the exchange and sharing of experiences, this network will certainly lead to the development of capacities in such a critical area, thereby contributing to the enhancement of public confidence in nuclear medicine and to ensuring that all elements of an adequate and sustainable national radiation safety infrastructure are in place to provide for the radiation protection of patients.

The Group encourages the Agency in providing training and courses in this area. Furthermore, the Group, while noting with interest the importance given to informing professionals through the Agency's web site on radiological protection of patients, encourages the Secretariat in its intention to extend this information to the patients themselves.

Mr. Chairman,

The denials of shipment of Radioactive Material continue to be a matter of concern to many Member States. In this regard, the Group welcomes the activities undertaken by the Agency to find solutions to this issue, particularly the international action plan established by the International Steering Committee on Denials of Shipment of Radioactive Material.

The Group also shares the views commonly expressed by the participants of the regional workshop on denials of shipment of radioactive material in Uruguay on the need for dissemination of accurate information on the transport of radioactive material. The Group also notes the intention of the Secretariat to organize a similar event for the Asia and Pacific Region.

With these remarks, the Group 77 and China takes note of the Nuclear Safety Review for the year 2007.

Item 4: Nuclear Technology Review - 2007

The Group of 77 and China commends the efforts of the Secretariat in bringing about a comprehensive report "Nuclear Technology Review 2008" as contained in document GOV/2008/3 and other related documents on GovAtom. The Group also thanks DDGs Sokolov and Burkart for introducing the Agenda item, as well as the Secretariat for the information on this issue conveyed during the briefing held on February 22nd.

The document provides a broad perspective on nuclear technologies covering both power and non-power applications.

The Group notes that rising expectations for nuclear power are reflected in the upward revision of mid-term projections for its global growth in 2007 both, by the Agency and, the OECD International Energy Agency (IEA) and that this has also translated into increased construction of nuclear power plants.

The Group also notes that the current expansion as well as near term and long term growth prospects, is centered in Asia. The Group takes note with appreciation of the technical cooperation activities of the Agency in the area of nuclear power.

The Group further notes that taking into account the uprates of existing reactors, and the three new reactors connected to the grid, the effect was a small increase in global nuclear generating capacity during 2007 of 2002 MWe.

In the context of the front end of the fuel cycle, the Group is concerned with the significant increase in the spot market price of uranium and reiterates that the Agency should make all efforts inter alia, through CRP's or regional TC programmes, to address issues related to mine development, improving fuel behaviour and burn-up and associated material requirement bearing the cost/benefit factor in mind. The feasibility of utilising other resources including Thorium, which is abundant and widely distributed in nature, should also be explored.

The Group is pleased to note that there exists a high level of confidence in the nuclear industry in both wet and dry storage technologies and in the ability to cope with rising volumes of high level waste.

The Group notes the launching of a new Network of Centres of Excellence for decommissioning of nuclear reactors.

In the context, of sustainable development and climate change, the Group regrets that Nuclear Power was not a principal topic of discussion at COP/MUP-3 meeting held in Bali, and we encourage the Agency to continue its efforts for promoting Nuclear Power as a viable option for sustainable development as it had done at the CSD-15 Meeting held in New York in 2007.

With regard to Safety indicators of operating reactors, as published by the WANO, the Group is pleased to note the significant reduction in both the unplanned scrams per 7000 hours critical and the number of industrial accidents at Nuclear Power Plants per million person-hours worked. The Group, however, underscores the need to guard against complacency and strongly supports the strengthening of international cooperation in collecting, analyzing and exchange of nuclear power plant operating experience as these constitute vital safety elements.

The Group attaches high importance to human resources development and notes the consequences of neglecting nuclear education/training as indicated in the recent studies by OECD/NEA. In this context, the Group appreciates the growth in the ANENT (Asian Network for Education in Nuclear Technology) to 28 members institutions in 12 countries. It appreciates the Agency's TCF supported projects in this area involving 2477 participants in training courses and 1697 fellows and scientific visitors in 2006. The Group urges the Agency to support larger number of fellows from developing countries at the Summer Institute of the WNU (World Nuclear University).

The Group notes and supports activities under INPRO and looks forward to the publication of the Common User Criteria for the development and deployment of Nuclear Power Plants in developing countries.

The Group also takes note of the progress in the international efforts in the area of nuclear fusion through the ITER project, the developments under atomic and nuclear data, innovative reactors, Accelerator Driven Systems (ADS), medical diagnostics, therapeutic applications, and analytical techniques for cultural heritage artifacts and material composition, and requests the Agency to keep the Group periodically informed of progress in these areas.

The Group appreciates the Agency's efforts towards encouraging the evaluation of interaction data for accelerator produced charged particles with the purpose of improving the accuracy of radiation therapy to cancer patients.

Food and Agriculture

The G-77 and China notes with appreciation the official release of approximately 3000 mutant crop varieties, which have moved on from the initial targets of enhanced yields to the introduction of value-added produce that are either more market competitive, allow diversified end-use or address specific dietary needs. Furthermore, certain mutant crops which are used as animal feeds have higher nutritional values and/or need little or no fertilizers, which contribute to a cleaner environment and enhanced incomes for livestock farmers.

In view of the increasing energy needs of developing countries, the Group notes with appreciation the use of radiation techniques for the genetic enhancement of biomass crops, with a view to improving their yield and efficiency.

The Group further notes that applied radiation techniques such as use of irradiated vaccines and positron emission technology have great potential in improving animal nutrition, reproduction and health and the use of stable isotopes in determining the origin of animal products will greatly assist in the control of the spread of animal borne diseases and in this regard, requests the Agency to continue supporting Member States in their national and regional projects in these areas.

With regard to the use of irradiation techniques such as SIT, the group notes with satisfaction the scale up efforts against the tsetse fly in several areas including the Southern Rift Valley in Ethiopia. The Group further notes that the use of SIT is effective in the control of several disease-bearing insects and in crop pest management and would like the Agency to continue with efforts in improving and expanding the use of these techniques towards the control and eradication of other such insects, particularly locusts.

As regards the issue of the Joint FAO/IAEA Division of Nuclear Techniques in Food and Agriculture, in line with the comments previously expressed by the Group of 77 and China during discussions on this subject matter at the briefing session on February 22nd, we reiterate our deep concern with the recommendation made by the Independent External Evaluation (IEE) team to the FAO as regards the possible termination of the provision of resources to this Joint Division.

The Group underscores that a final decision on this recommendation has not been adopted as of yet by the policy-making organs of the FAO, and that the issue is due to be considered at a Special Session of its General Conference in November 2008, on the basis of a report to be submitted by its Conference Committee by May 1st. In this regard, the Group is particularly concerned with the fact that the FAO Director General has already taken steps to terminate the activities of the Joint Division, by submitting to the IAEA Director General the one-year prior notice required by the standing cooperation arrangements between these organizations.

The Group believes that, since its establishment in 1964, this Joint Division has been providing Member States, in particular the least developed countries, with concrete and positive results in the fields of crop enhancement, pest control and food and environmental protection. The preservation of such benefits, which have a clear and tangible impact in the welfare and economic development of many Member States, depend on the continuation of the current cooperation framework between the FAO and the IAEA.

The Group would also like to recall Resolution GC (51)/RES/14 which highlights the benefits obtained by Member States from the application of nuclear techniques in food and agriculture, by means of programmes and activities coordinated by the Joint FAO/IAEA Division, and urges the retention and strengthening of this

Unit in order to enhance its continuing efforts in supporting Member States, particularly in areas of interregional and national capacity building, policy advice, establishment of standards and guidelines, and needsdriven research and methods development.

The Group appreciates the crucial role played by the IAEA in supporting both technically and financially the activities of the Joint Division, in particular by means of the scientific expertise of its Laboratory in Seibersdorf, as well as by providing almost 85% of the unit's total funding. Nevertheless, the Group underscores that the current framework of cooperation with FAO provides the Joint Division with a combination of mandates, capabilities and institutional contacts that is ideal for the effective pursuit of its objectives.

In this regard, the Group is concerned not only with the near-term impact of a possible adoption of such recommendation by the upcoming FAO General Conference in the activities currently undertaken by the Joint Division, but also with the longer term consequences deriving from the loss of institutional links and synergy of mandates.

In view of this, the Group supports the conclusion of the information document GOV/INF/2008/2, which states that the Secretariat, in close consultation and cooperation with the Agency's Member States, will work with the FAO Secretariat to retain and reinforce the current partnership and cooperation arrangements between the IAEA and FAO. The Group also intends to coordinate positions with capitals and with our respective delegations in Rome in order to seek an adequate solution to this matter of utmost concern.

Mr. Chairman,

The Group would like to express its appreciation for the efforts of the Agency in developing international standards and codes of practice in food irradiation in collaboration with other international bodies in order to address the economic losses and health impacts arising from food spoilage and food borne diseases, and in achieving sanitary requirements for medical supplies and for quarantine purposes.

With regard to human health, the Group is pleased to note that use of nuclear techniques in medicine such as PET is modernizing cancer treatment approaches. Patient specificity and targeted therapy are among the diagnostic and treatment approaches made possible by molecular imaging using PET. The Group further notes that technological advances in tumour localization and delivery of precise radiation doses will help improve prognosis and treatment outcomes for cancer patients.

The Group is highly appreciative of the Agency's training programs to increase Member States' technical capacity in the use of stable isotopes and other nuclear techniques in the development and evaluation of nutritional interventions, such as in the estimation of milk intake in breastfed infants, with a view to combating micronutrient deficiencies, and welcomes the furtherance of such programmes.

Environment and Water resources

The Group wishes to highlight anew the positive scientific role that the Agency can play to address the negative global effects of climate change, as indicated in Part G.3.2 and Part H of the report and in the additional information accompanying the 2008 Nuclear Technology Review. In view of the alarming effect of the increasing acidification of the oceans from carbon dioxide, and its effect on many marine organisms, particularly corals and shell builders, thereby affecting entire marine food webs and impacting on natural biodiversity and aquaculture, the Group wishes to encourage the Agency to further strengthen the capacity of developing countries in the use of radioactive and stable isotopes and new nuclear techniques to address the challenges posed by climate change.

In this regard, the Group also thanks the Secretariat for including, in response to the Group's request, section G.3.2 on Climate Change and Ocean Acidification. The Group in particular welcomes the Agency's role in

helping Member States to use isotope studies and numerical models to better understand and project how ocean acidification will alter marine resources. The Group urges the Secretariat to continue its efforts in identifying the future role of the Agency with regard to measuring the effects of climate change and its impact on sustainable development, and the possible synergies of the Agency on this issue with the respective scientific establishments of developing countries.

Radiation Technology

The Group appreciates the Agency's continuing support in capacity building and encouraging collaborative research among Member States in the area of radiation processing of natural polymers for use in medicine, healthcare products, agriculture, biotechnology and environmental protection.

The Group also notes the use of advanced radioactive particle tracking technique as a non-invasive and useful method for improving the efficiency and effectiveness of industrial processes and looks forward to receiving the Agency's technical support to interested Member States, through TC programmes and coordinated research projects (CRPs).

With these comments, the Group of 77 and China endorses the recommended action in document GOV/2008/3. Thank you, Mr Chairman.

Item 6: Follow-up to decisions on personnel matters taken up by the UN General Assembly

Mr. Chairman,

The Group would like to thank the Director General for his report in document GOV/2008/5 on the Follow up to decisions on personnel matters taken by the United Nations General Assembly. The Group also wishes to thank DDG David Waller for introducing this agenda item. The Group wishes to note the changes proposed to the base/floor salary scale for staff members in the Professional and higher categories in order to bring them into line with the corresponding scale of the comparator, i.e., the United States Federal Civil Service, which the UN General Assembly approved, with effect from 01 January 2008, and to be implemented on a no loss/no gain basis, as well as the consequential changes to the annual gross base salary of the Director General.

The Group also notes that the estimated additional cost to the Agency in 2008 of utilizing the revised net base salary scale for repatriation grant payments, amounting to US\$ 24,000, will be absorbed within available resources.

With these comments, the Group takes note of the document GOV/2008/5 and the recommended action.

Thank you, Mr. Chairman.

Item 7 - Any Other Business

Mr. Chairman,

On the issue of Assurances of Supply of Nuclear Fuel, the Group considers that there is a need for a cautious approach with a view to addressing thoroughly the associated technical, legal and economic aspects, as well as possible political dimensions of this issue. In this context, the Group is of the view that it is premature for this subject to be considered before the various unresolved aspects and concerns have been adequately examined.

The Group is of the view that, given the current financial and administrative challenges being faced by the Agency, extreme caution is required before involving the Secretariat in this area.

In this regard, the Group stresses that concerns related to nuclear proliferation shall not in any way restrict the inalienable right of all States to develop all aspects of nuclear science and technology for peaceful purposes, in particular given its relevance for the sustainable socio-economic uplift of developing nations.

Furthermore, the Group rejects, in principle, any attempts aimed at discouraging certain peaceful nuclear activities on the grounds of their alleged "sensitivity".

Thank you, Mr. Chairman.