



STATEMENT OF THE G77 AND CHINA DURING THE FIRST MEETING OF THE INFORMAL WORKING GROUP TO DISCUSS THE FUTURE OF THE IAEA, DELIVERED BY ARGENTINA ON 19 FEBRUARY 2009

Madam Chair,

The Group of 77 and China supports, as a matter of principle, every action aimed at strengthening the capacity of the Agency to fulfill its statutory functions. The Group therefore appreciates the establishment of this open-ended informal mechanism to discuss the future of the Agency.

The Group believes that discussing the future of the Agency is an exercise of utmost importance and that all efforts should be made in order to ensure that such an exercise is successful. To that end, the Group believes it is essential that the process is conducted with great care, taking into account the views and expectations of the whole membership of the Agency.

On the procedural front, the Group appreciates the efforts of Ambassador Kauppi in attempting to accommodate some of the proposals of the Group related to making this exercise inclusive, transparent, and better defined. The Group particularly welcomes that the discussions will sequentially tackle the three pillars of the Agency's work, and that any possible decisions or recommendations will be made by consensus, including how to deal with the draft informal report which might be prepared by the Chair at the end of the discussions.

Given that the ultimate goal of Technical Cooperation (TC), is the transfer of nuclear technology for peaceful uses, which cannot be achieved if the Agency fails to ensure that resources for the TC Programme are sufficient, assured and predictable (SAP), the Group would have preferred that TC funding be the first topic to be discussed in this exercise. A successful outcome of the discussions related to enhancing the financing mechanisms of TC would represent a reassuring sign of goodwill and an indication of the actual potential for success in the discussions related to the other pillars of the work of the Agency.

However, the Group will not insist on changing the order of the topics as proposed by the Chair, based on the understanding that all discussions related to the first pillar will focus on the promotional role of the Agency through technical cooperation, and that the financial requirements of enhancing this role will be central to those discussions.

In this connection, the Group of 77 and China wishes at the outset of this important exercise to reiterate some of its principled position regarding the Agency's TC activities.

The Group attaches paramount importance to the Technical Cooperation Programme of the Agency as the main statutory vehicle and an efficient tool for promoting nuclear technology for sustainable socioeconomic progress in developing countries and in the context of efforts towards the attainment of the Millennium Development Goals.

The Group deems it necessary for the Agency to maintain an adequate balance between promotional activities, carried out through the Technical Cooperation Programme, and its other statutory activities. The Group stresses the need to strengthen TC activities and continuously enhance the effectiveness and efficiency of the TCP in accordance with the requests and needs of Member States. The Group equally emphasizes that all measures taken and policies adopted in this regard should preserve and enhance the ownership of TC projects by developing Member States.

The G-77 and China continues to attach high importance to the issue of funding the TCF and remains convinced that without sufficient, assured and predictable (SAP) financial resources, the TC programme cannot achieve its objectives as mandated in Article II of the Statute and as called for in several GC resolutions. In this regard, the Group in several occasions has requested the Secretariat to work on constructive proposals that would address the long-term funding issues of the TC Programme.

In fact this exercise may provide an excellent platform for developing countries to express their concerns regarding some recent developments and trends such as:

- a) The manner in which TCF Targets and Indicative Planning Figures are negotiated, and the inherent obstacles therein.
- b) The chronic lack of necessary funding for particular activities, especially those with a humanitarian and developmental aspect.
- c) Attempts aimed at discouraging Member States from exercising their rights to develop national capabilities in certain nuclear activities based on the alleged sensitivity of these certain activities.
- d) The continued imbalance, in both absolute and relative terms, in the resources made available to the three pillars, especially in the case of TC.
- e) Attempts by some Member States who have chosen at the national level not to rely on nuclear energy to limit and restrict the activities of the Agency in the field of assisting those Member States who have chosen nuclear power as part of their national energy mix.
- f) The politicization of TC activities and interference by some Member States in the work of the Secretariat as well as in the national priorities of recipient Member States themselves.
- g) The growing tendency by the Secretariat upon the impetus of Some Member States to use the Agency's nonbinding guidelines as binding requirements dictating the policies or priorities that each and every Member State has to follow in its nuclear activities, especially those policies and priorities related to the launching or operating of nuclear power programmes
- h) Overstretching the possible benefits of harmonization and standardization of nuclear policies in the case of countries that are considering launching or expanding their nuclear power programmes, or developing national capabilities related to the nuclear fuel cycle.
- i) The lack of strict equitable application of the Due Account Mechanism.
- j) The inequitable distribution of safeguards related expenditures, and the lack of a shielding mechanism for developing countries.
- k) The continued projection of the Agency as a so-called "nuclear watchdog"- a trend which misrepresents and undermines the primary role of the Agency in promoting nuclear science and technology. 11- The Group intends to fully utilize the opportunity that this informal exercise provides to tackle these concerns in depth under the relevant topics of the discussions, and looks forward to the active engagement of all Member States to collectively deal with these concerns.

Thank you Madam Chair.