



**Group of 77 and China Statement for the IAEA June Board, starting on 10 June 2019  
delivered by H.E. Ambassador Omar Amer Youssef, Permanent Representative of Egypt**

**Agenda Item 2: The Annual Report for 2018**

Madam Chair,

1. On behalf of the Group of 77 and China, I would like to thank the Director General for his introductory statement and the Secretariat for preparing the draft of the Annual Report for 2018 as contained in document GOV/2019/15 and its annex.

I have the honour to speak on behalf of the Group of 77 and China under this agenda item.

**Nuclear Technology**

2. The Group notes that nuclear power remains an important option not only for countries with existing nuclear programs, but also for developing countries with growing energy needs and that nine new nuclear reactors were connected to the grid in 2018. The Group encourages the Agency to continue providing the necessary support to Member States interested in launching and expanding their nuclear power programmes.

3. The Group welcomes the Agency's active participation in the 24th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP24), in Katowice, Poland, and highlights the potential role of low carbon energy in meeting global climate and energy challenges. The IAEA should further strengthen the role of nuclear technology in meeting the goal of limiting the global temperature rise. The Group looks forward to the IAEA's International Conference on Climate Change and the role of nuclear power to be held in Vienna in October 2019.

4. The Group attaches high importance to the International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO), as a relevant forum gathering technology holders and users with the aim of achieving innovations in nuclear reactors and fuel cycles, while reiterating its call for continued support for INPRO from the Regular Budget. The Group also values the support provided to Member States upon their request through the Integrated Nuclear Infra-structure Review (INIR) missions and National Nuclear Energy System Assessments (NESAs).

Madam Chair,

5. The Group welcomes the work of the Agency in the application of nuclear technologies and, specifically, the assistance provided to Member States in this regard. Nuclear technologies and applications make an important contribution to sustainable development and, therefore, the Group welcomes the Agency's continued assistance to Member States, based on their national priority needs.

6. The Group reiterates that there is a fundamental need to enhance the transfer of nuclear technology to and sharing of nuclear knowledge with developing countries. As preservation of nuclear knowledge continues to be a high priority for many Member States, the Group requests the Secretariat to continue providing assistance to interested Member States in capacity building and nuclear knowledge management, including through the Knowledge Management Assist Visits and Regional Nuclear Education Networks in Asia, Africa, and Latin America.

7. The Group attaches great value to Small and Medium Sized or Modular Reactors (SMRs), their potential benefit as a source of power generation, especially for Member States with limited electrical grids, and their successful use in seawater desalination, taking into account their demonstrated overall cost-effectiveness. The Group takes note that the first Working Group on SMRs met last year to discuss the advances in SMR technology. The Group requests the Secretariat to continue its support to Member States in this regard.

Madam Chair,

8. The Group welcomes the various activities of the Agency in the field of nuclear data, research reactors and accelerator technologies. The Group reiterates its full support for the activities of the Agency in nuclear science, and urges the Secretariat to enhance its assistance on developing nuclear science application capabilities of Member States as a tool for their technological and economic development.

9. The Group highlights the important role of the various applications of nuclear and isotopic techniques in the field of food and agriculture, human health, management of water resources, environment, industry as well as radioisotope and radiation technology in the attainment of the SDGs and the objectives of the Paris Agreement. The Group requests the Secretariat to enhance its efforts to strengthen national capabilities of Member States, particularly developing countries, in these areas.

10. The Group attaches great value to the role of the Agency's Nuclear Applications Laboratories at Seibersdorf, which have assisted Member States in enhancing their access to the peaceful uses of nuclear technologies since 1962. The Group appreciates the contributions made by Member States for the construction and renovation of the laboratories, through the Renovation of the Nuclear Application Laboratories (ReNuAL and ReNuAL+) Projects. The project achieved key milestones, with the inauguration of the Flexible Modular Laboratory at the Ministerial Conference on Nuclear Science and Technology last year; and most recently the inauguration of the LINAC Facility last week. The Group continues to encourage Member States to support the ReNuAL + project.

11. The Group continues to support the work that the Agency has been conducting over the years in partnership with the Food and Agriculture Organization (FAO), through the Joint FAO/IAEA Division of Nuclear Techniques in Food and Agriculture. In this regard, the Group takes note of the work done by the Joint Division in 2018 in the various areas mentioned in the report.

12. In the field of human health, the Group commends the work of the Agency in 2018 in the expanded spectrum of application of radiation in medicine and their contribution to improved patient care, that includes guidelines recommending appropriate staffing levels of medical

physicists, the use of information technology to enhance management of cervical cancer and capacity building in hybrid imaging technologies. The Group notes that the DGOC is playing a coordinating role on PACT within the Agency, and while we will appreciate updates on this important subject, the Group urges that PACT should continue to be in a position to meet the needs of Member States.

13. The Group recognizes the unique role that the Agency plays in enhancing the capabilities of Member States in managing water resources as well as marine and terrestrial environmental pollutants using nuclear techniques.

## **Nuclear Safety and Security**

Madam Chair,

14. The Group reiterates its appreciation for the IAEA's continuing efforts to promote nuclear safety worldwide and welcomes the diverse activities undertaken in 2018. While recognizing that the primary responsibility for nuclear safety rests with the States, the Group believes that the Agency plays an important role in this field as provided for in Article III of its Statute. The Group remains of the view that nuclear safety and security considerations should not hamper the utilization of nuclear technology for peaceful purposes.

15. The Group attaches great value to the IAEA's assistance to developing countries embarking on nuclear power programmes and encourages the Agency to continue its support to Member States, upon request, in developing and strengthening their nuclear safety infrastructure. In this context, the Group values the Agency's support, provided to Member States, upon their request, through the peer review and advisory services conducted in 2018.

16. The Group takes note of the outcomes of the key nuclear safety conferences as presented in the report and requests that their follow-up be done in close consultations with Member States whenever necessary. The Group appreciates the Agency's efforts in conducting capacity building activities across its programme of work for nuclear, radiation, transport and waste safety, and emergency preparedness and response, as well as in strengthening global, regional and national safety networks and forums. The Group also recognizes the Agency's important role in developing Safety Standards and welcomes the issuance of new publications in the Safety Guides series last year.

17. The Group notes the Agency's continued efforts in 2018 to contribute to global efforts to achieve effective nuclear security. The Group reiterates its view that the responsibility for nuclear security within a State rests entirely with that State, and that nuclear security should not be a condition or pre-requisite for technical cooperation projects.

## **Technical Cooperation**

Madam Chair,

18. The Group welcomes the convening of the International Ministerial Conference on Nuclear Science and Technology, co-chaired by Costa Rica and Japan, in November 2018 and its Ministerial Declaration. The Group notes with satisfaction that the conference attracted the highest ever-ministerial level participation which underscores the importance Member States

attach to the Agency's work in promoting nuclear science and technology and its applications and their delivery through technical cooperation programme. In this regard, the Group reiterates its position that the Agency should organize a follow up International Ministerial Conference on this subject in 2022.

19. The Group reiterates its call for strengthening the promotional activities of the IAEA, including Technical Cooperation and Coordinated Research Projects (CRPs), through the provision of adequate resources, so as to properly respond to the increasing number of Member States and their growing needs, as well as to enhance the use of nuclear technology for sustainable development. The Group will provide detailed comments on this topic on its statement on the Technical Cooperation Report for 2018.

20. With these comments, the Group takes note of the Agency's Annual Report for 2018 contained in document GOV/2019/15 and its Annex.

Thank you, Madam Chair.

### **Agenda Item 3: Strengthening of the Agency's Technical Cooperation Activities- Technical Cooperation Report for 2018**

Madam Chair,

1. The Group of 77 and China wishes to thank the Deputy Director General and Head of the Department of Technical Cooperation, Mr. Dazhu Yang, for his introductory remarks under this agenda item. The Group also thanks the Technical Cooperation Department for preparing the Technical Cooperation Report for 2018 and its supplement, contained in document GOV/2019/16 and for their briefing. [not to be read]
2. The Group of 77 and China believes that the promotion and transfer of nuclear technology for sustainable socioeconomic progress in developing countries is the main statutory function of the Agency. The Technical Cooperation Programme (TCP) is the main delivery vehicle for this statutory function.
3. The Group welcomes the success of the Technical Cooperation activities in the different regions, and commends the Secretariat for its support and assistance to Member States.
4. The Group reiterates that the Technical Cooperation Programme is a shared responsibility and that its success depends on the combined efforts of the Department of Technical Cooperation, other relevant departments of the Agency and Member States. These efforts are crucial for the planning and successful implementation of the Programme, which should be tailored to respond to the evolving needs and priorities of individual Member States, in particular the developing countries. Such an approach would also be in accordance with Section 2, Operative Paragraph 4 of resolution GC (62)/RES/8, dealing with assistance to developing and least developed countries. The Group calls on the Secretariat to continue making every effort in addressing the challenges facing LDCs in the peaceful application of nuclear energy through the Technical Cooperation Programme, as set out in GOV/INF/2016/12.

Madam Chair,

5. The Group notes that the IAEA regional programmes are an essential tool to promote technical cooperation among developing countries (TCDC), foster the exchange of best practices, and promote networks. The Group appreciates the Secretariat's support in this regard, and requests that the Secretariat continues its efforts to enhance the effective and efficient management of regional programmes. The Group also supports the Secretariat's efforts to enhance the effectiveness of TC programme delivery to new Member States, including Small Island Developing States (SIDS).

Madam Chair,

6. The Group would also like to recall the established process of the medium-term national planning mechanisms, such as Country Programme Frameworks (CPFs), regional profiles and strategic frameworks through which the needs of Member States are identified and defined. Any changes to the established TC programmatic approach by the Secretariat should be considered in close consultation with Member States.

7. The Group takes note of the continued efforts undertaken by the Secretariat to enhance the effectiveness and efficiency of the TC Programme. In this context, the Group reiterates that the present guidelines and criteria as contained in INFCIRC/267 for the screening of TC project proposals, programme implementation and subsequent evaluation are sufficient and effective.

Madam Chair,

8. The Group notes that the rate of attainment on payments to the TCF for 2018, as of 31 December 2018, was 91.4%. The Group also notes that excluding the deferred or additional payments made by Member States, the 2018 rate of attainment on payments would have been lower by 0.4%. The Group emphasizes the importance of the TCF in the successful implementation of the TCP and reiterates its call on all Member States to pay their contributions in accordance with the indicative scale of assessment in full and on time. The Group also requests the Secretariat to work closely with Member States to improve the rate of attainment on pledges and payments to the TCF.

9. The Group notes with concern that despite the increasing number of developing countries receiving technical cooperation from the Agency, the resources for the Technical Cooperation Programme, both financial and human, have not increased in tandem. This situation becomes all the more striking when comparing the TCF to the funds available for the non-promotional activities. The Group requests the Secretariat to include in future reports the details of the increasing number of participants in TCP and increasing demands over the past several years.

10. The Group remains concerned that the resources available to the TC Programme are still not sufficient, assured and predictable (SAP) to meet the objectives mandated in Article II of the Statute, as called for by the General Conference repeatedly in its resolutions on technical cooperation. The Group also reiterates its call for sufficient human resources and adequate funding to be assigned to Major Programme 6, in order to facilitate the successful delivery of the Technical Cooperation Programme.

11. The Group appreciates the extra budgetary contributions to the TC Programme and the decision of some countries to participate in the government cost-sharing mechanism. The Group emphasizes that such contributions and decisions are not assured and predictable. They therefore cannot replace the Technical Cooperation Fund, which is the primary funding mechanism essential to a stable and strategic TC Programme.

Madam Chair,

12. The Group takes note of the important contribution the Agency's TCP could make to the achievement of the Agenda 2030 and its Sustainable Development Goals (SDGs) as well as to the Paris Climate Change Agreement. The Group welcomes the Secretariat's efforts to help Member States to benefit from the synergies between the Sustainable Development Agenda 2030 and the TC Programme, while recognizing their specificities. The Group also maintains that alignment with the SDGs should not constitute a limitation or condition for TC projects, nor a tool for their reprioritization. In this regard, the Group also reiterates its strong position that TC should not be subject to any form of conditionality, and requests the Secretariat to continue to adhere to this principle. The Group also holds the view that the SDGs places a greater demand for additional resources to address the increasing socio-economic challenges and to meet the developmental needs of developing countries.

Madam Chair,

13. The Group notes with appreciation the efforts made by the Agency in 2018 to help Member States in planning their national and regional programmes for the 2020-2021 cycle. The Group also appreciates the continued efforts of the Secretariat to enhance the quality of the TC Programme by providing support to the Member States to ensure that the projects for the next TC cycle are relevant, effective, sustainable, have measurable and attainable objectives, and offer greater opportunities for social and economic benefits and long term national development impact.

14. The Group reiterates its call on the Agency to address long-standing obstacles such as delays and denials of equipment, as well as travel and visa restrictions arbitrarily imposed by a number of Member States, which negatively impact programme delivery and the rate of implementation.

Madam Chair,

15. The Group reiterates that alignment with United Nations Development Assistance Frameworks (UNDAFs) should not be made a requirement for TC projects. However, the Group takes note of the Agency's increasing visibility within the UN system which may allow the Agency to identify linkages between the goals and objectives of the CPFs and, where appropriate, those of the UNDAF in order to facilitate close coordination with UN agencies to address national priorities in sustainable development.

16. In this context, the Group stresses the vital role of the National Liaison Officers (NLOs) in TC project design and implementation. The continued strengthening of the NLOs' management capabilities, together with the strengthening of the role of the Programme Management Officer (PMO) and the coordination with the Permanent Missions in Vienna, would be essential to enhance country programme delivery. In this regard, the Group expresses its appreciation for the Agency's support in strengthening the role of the NLO, in particular through the NLO meetings hosted in Vienna.

17. The Group underlines the importance of cancer therapy in developing countries and urges the IAEA to continue building capacities in developing countries, including those that still have no access to radiation medicine techniques and radiotherapy. The Group encourages the Agency to continue addressing Member States' requirements for comprehensive cancer control capacity and needs through the integrated missions of PACT (imPACT), and to foster more regional PACT programmes. The Group highly commends the continued efforts to strengthen collaboration of the Agency with leading cancer organizations and other partners under the Programme of Action for Cancer Therapy (PACT). The Group notes that the DGOC is playing a coordinating role on PACT within the Agency, and while we will appreciate updates on this important subject, the Group urges that PACT should continue to be in a position to meet the needs of Member States.

18. With these remarks, the Group of 77 and China takes note of the Technical Cooperation Report for 2018 contained in document GOV/2019/16.

Thank you, Madam Chair.

## **Agenda Item 4: Report of the Programme and Budget Committee**

Madam Chair,

1. The Group of 77 and China takes note of the Report of the Programme and Budget Committee. The Group would like to thank DDG Mary Alice Hayward and the staff of the Department of Management for their efforts during the deliberations of the Committee, as well as the DDG of Technical Cooperation, Dazhu Yang and his department for all the briefings provided and also the Office of Internal Oversight Services (OIOS) and the External Auditor and his staff for the reports presented. [Not to be read]

2. The Group thanks the co-chairs of the Working Group on the Regular Budget and Technical Cooperation Fund Targets for 2020-2021 for their extensive work with the goal of facilitating an agreement among Member States on the level of the Regular Budget and the TCF Targets for 2020-2021 and the Indicative Planning Figures (IPFs) for 2022-2023. The Group would also like to thank the Secretariat for presentations and explanation provided throughout the process.

3. The Group reiterates its long-held view that the Agency's budget should reflect the balance between the three pillars of the Agency's work, namely; the promotion of peaceful uses of nuclear technology including technical cooperation; safety; and safeguards. To achieve this balance and in order to respond to the growing needs of developing countries, the increased number of Member States making use of nuclear applications and embarking on nuclear energy, the Group has long been of the opinion that sufficient funding from the Regular Budget must be secured for Major Programmes 1, 2 and 6.

4. The Group believes that the promotional activities of the Agency are its main statutory function and the Technical Cooperation Programme (TCP) is the main vehicle for delivering on this statutory function. The Group notes that in the biennium 2020-2021, 141 Member States, including 35 LDCs, will have a national TCP, representing an increase of 5 Member States compared to the previous biennium. This underscores the necessity of Sufficient, Assured and Predictable resources for the TCP in order to enable it to adequately respond to Member States' growing needs for the peaceful uses of nuclear technology for their sustainable development, and the achievement of Sustainable Development Goals (SDGs), in accordance with national priorities.

5. While taking note of the Secretariat's efforts to ensure prioritization, efficiencies and synergies, as well as the cross cutting savings and efficiencies identified in the present draft Budget, the Group remains of the firm opinion that such efforts should not negatively impact the Agency's ability to deliver on its statutory mandate or affect the desired balance between promotional and non-promotional activities.

Madam Chair,

6. The Group is of the view that in future discussions on the Regular Budget, the Secretariat has to exert more efforts towards achieving a desired balance in the Agency's statutory functions in promoting nuclear applications and technologies.



7. Regarding the creation of new staff, the Group would like to emphasize the need to maintain a balance across MPs in both numbers and level of staff. Further, recruitment to additional posts should be in line with the Secretariat's efforts to increase the representation of under-represented Member States and region, especially at the professional and managerial levels.

8. The Group would like to emphasize that having a TCF with "sufficient, assured and predictable" resources is essential for the IAEA to fulfil its central role in the promotion of the peaceful uses of nuclear energy. The Group recalls that the synchronization of the Technical Cooperation Programme (TCP) cycle with the regular Programme and budget cycle was meant to provide a framework to consider increases to the resources for the TC Programme, including the TCF target by taking into account the changes in the level of the regular operational budget.

9. Overall, the Group joined consensus viewing that the proposal by the Co-Chairs, as contained in Note 58, represented a delicate compromise. While the balance in allocation of resources to promotional and non-promotional activities remains unachieved to the desired extent, the fixing of the TCF Targets at the levels proposed in the Working Paper are a step in the right direction to meet the ever-growing demands on the Technical Cooperation Programme.

Madam Chair,

10. The Group views the IPFs for the biennium 2022-2023 as the basis for negotiations for the TCF Targets for that biennium. The Group shall negotiate for appropriate increases in the TC Targets for 2022-2023, taking into account the IPFs, price adjustments, the elements outlined above and all other relevant factors.

11. The Group reiterates that the IPF is essential for the predictability of the TC Programme, as it enables the TC Department and Member States making use of Technical Cooperation to plan projects for the coming biennium.

12. With regard to the issue of the Due Account Mechanism, the Group expresses its appreciation for the efforts and hard work by the co-facilitators, the Ambassadors of Morocco and Slovenia, in producing the recommendations contained in Note 2018/77. The Group also appreciates the Ambassador of Italy for her effort to forge consensus on this important issue.

13. The Group would like to reiterate that the DAM is an instrument to incentivize and encourage contributions to the TCF. The DAM and its implementation should not be seen or turned into a punitive mechanism. The voluntary nature of the TCF should be kept in view. Most importantly, the DAM must not jeopardize the Technical Cooperation Programme and must conform to the principles of fairness, neutrality and universality.

14. With these comments, Madam Chair, the Group of 77 and China takes note of the Report of the Programme and Budget Committee as contained in document (GOV/2019/23), and of the recommended action as contained in Section H of the proposal by the Co-Chairs of the Working Group.

Thank you, Madam Chair.