Introductory Statement to the Board of Governors

June 8, 2015

by IAEA Director General Yukiya Amano

International Atomic Energy Agency

https://www.iaea.org/newscenter/statements/introductory-statement-board-governors-63

*(As prepared for delivery)*

Madam Chairperson,

I will begin by congratulating the Republic of Djibouti on becoming the 164th Member State of the IAEA.

A number of important reports are on the agenda of this meeting.

The *Annual Report for 2014* is before you. It serves as the Board’s report to the General Conference. The report provides a thematic analysis of major Agency activities and highlights important developments during the year. It reflects our work in promoting peaceful applications of nuclear science and technology, including nuclear power, enhancing nuclear safety and security, and implementing safeguards.

**Technical Cooperation**

As the *Technical Cooperation Report for 2014* shows, the main focus of TC spending last year was health and nutrition, followed by nuclear safety and security, and then by food and agriculture.

The Agency will support the Government of Nepal in enhancing the safety of public places in areas affected by the recent earthquakes. This will include assisting Nepal in testing the integrity of critical buildings such as hospitals, schools and historical attractions, using non-destructive testing techniques.

This is another example of the Agency’s ability to respond quickly to Member State needs.

Last year, the Agency helped Ethiopia to consolidate existing radiotherapy and nuclear medicine services in Addis Ababa, and to establish new centres for the diagnosis and treatment of cancer in five other regions of the country. Bulgaria established its first medical transplant centre with our support.

The Agency assisted Member States with radioactive waste processing, conditioning and storage, and disposal. In Asia and the Pacific, we helped countries which are considering the introduction of nuclear power to establish or strengthen their radioactive waste management capabilities and identify suitable sites.

China has made significant advances in reducing soil erosion with the support of the Agency. Recent data collected in Croatia under a regional TC project showed a high success rate for the Sterile Insect Technique in combating fruit fly pests. Thirteen benchmark sites have been identified under our interregional project to assess the impact of climate change on soil and water resources in polar and mountainous regions.

New resources for the TC programme totalled 83.6 million euros in 2014, which included 18.6 million euros in extra-budgetary contributions.

IAEA projects make an important contribution to helping countries achieve their development goals. I appreciate the efforts that Member States are making to prepare high-quality projects for the next cycle.

**Nuclear Applications**

Madam Chairperson,

The ReNuAL project to modernise the nuclear applications laboratories at Seibersdorf will result in a significant improvement in the services which we offer Member States over the coming decades. I thank Member States which have pledged contributions in response to my appeal in March. I am also grateful to Ambassador Scharinger and Ambassador Seokolo for their tireless work as co-chairs of the Friends of ReNuAL.

Given the progress made, we expect to begin infrastructure work by September. We will complete the detailed design by the end of August and will determine the schedule of construction of the buildings in light of the available funding at that time. I renew my appeal to all Member States to contribute generously to the cost of construction of the buildings, so that we remain on target to complete the ReNuAL project by the end of 2017.

Effective management of the world’s water resources is essential for human survival and for development. In May, the Agency hosted the *14th International Symposium on Isotope Hydrology*. This quadrennial event brought together over 400 professionals to consider the latest developments in using isotopic techniques to manage water resources sustainably.

This year’s Scientific Forum in September will be entitled *Atoms in Industry – Radiation Technology for Development*. It will address the way in which radiation technologies contribute to daily life. I encourage all Member States to participate actively to ensure the success of the Forum.

**Nuclear Safety and Security**

Madam Chairperson,

My report on the Fukushima Daiichi accident is before you for consideration. I hope this Board will take note of it so that it can be released at the General Conference in September. The report is the result of an extensive international effort involving some 180 experts from 42 Member States and several international bodies. It draws on five detailed technical volumes which will be issued before the General Conference.

The report represents an authoritative, factual and balanced assessment of what happened at Fukushima Daiichi that should also be accessible for a non-technical audience. I hope that the lessons learned from the accident will continue to be acted upon by governments, regulators and nuclear power plant operators in *all* countries.

As I said in the Foreword to the report, there can be no grounds for complacency about nuclear safety in any country. Some of the factors that contributed to the Fukushima Daiichi accident were not unique to Japan. Continuous questioning and openness to learning from experience are key to safety culture and are essential for everyone involved in nuclear power. Safety must always come first.

The Fifth Review Meeting of the *Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management* took place last month. The Joint Convention is one of the key instruments in the comprehensive global nuclear safety framework.

A new *Emergency Preparedness and Response Standards Committee* will be established under the Commission on Safety Standards. It will be a standing body of senior experts in nuclear or radiological emergency preparedness and response. An information document has been circulated to the Board.

The *Convention on Supplementary Compensation for Nuclear Damage* entered into force on April 15th following the signature and deposit of an instrument of acceptance by Japan. The Convention is one of the international instruments that provide a basis for establishing a global nuclear liability regime to address the concerns of all States that might be affected by a nuclear incident.

Turning to nuclear security, July 8th will be the tenth anniversary of the adoption of the Amendment to the *Convention on the Physical Protection of Nuclear Material (CPPNM)*. I welcome the progress made in Italy, Turkey and the United States towards joining the Amendment and I look forward to receiving their instruments of adherence soon. Entry into force of the Amendment is the most important area of unfinished business in nuclear security. I appeal to all States which have not yet done so, in particular those that are already party to the CPPNM, to adhere to the Amendment as a matter of urgency.

Last week, we held an *International Conference on Computer Security in a Nuclear World,* which was attended by more than 650 participants. The conference provided a forum for information exchange among practitioners in this important area.

**Nuclear Energy**

Madam Chairperson,

I will now turn to nuclear energy. Nuclear power is one of the lowest-carbon technologies available to generate electricity. As governments prepare for the *United Nations Climate Change Conference* in Paris at the end of the year, I believe it is important that the contribution that nuclear power is making to combating climate change is recognized. As of today, there are 438 operational nuclear power reactors in the world, while another 67 are under construction.

The Agency supports many initiatives to help both newcomer and expanding countries to meet the challenge of securing a skilled workforce for the lifetime of their nuclear programmes. We held a Nuclear Energy Management School in the United Arab Emirates last month and are supporting another one in Japan which concludes this week.

Opportunities for regional cooperation in nuclear energy development were the focus of the Agency’s *Third Conference on Energy and Nuclear Power in Africa*, which was held in Kenya in April. Participants from more than 35 African countries considered issues including national energy planning, regional networking and funding. Three *Integrated Nuclear Infrastructure Review* – or INIR – missions will be conducted this year in African countries, namely Kenya, Morocco and Nigeria.

Last month, a dialogue forum held under the auspices of the *International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO)* focused on cooperative approaches in the back end of the nuclear fuel cycle. Next week, we will host an *International Conference on Management of Spent Fuel from Nuclear Power Reactors*.

The Board will recall that the Agency has organised a series of ministerial conferences on nuclear power in Paris, Beijing and St Petersburg. I have circulated a letter from the United Arab Emirates offering to host the next one in Abu Dhabi in March or April 2017.

**Assurance of Supply**

Madam Chairperson,

The Board has before it for consideration and approval a draft Host State Agreement between the IAEA and Kazakhstan establishing the IAEA LEU Bank, as well as a draft Transit Agreement between the IAEA and the Russian Federation. I have also circulated my latest report on the LEU Bank, providing additional information on both agreements and an update on recent developments.

The conclusion of the two agreements represents a significant milestone for this important project, enabling us to proceed to full-scale implementation. Two related technical agreements are also near to finalization. I expect these to be signed at the same time as the Host State Agreement.

**Nuclear Verification**

***Safeguards Implementation Report for 2014***

         Madam Chairperson,

Turning now to nuclear verification, the *Safeguards Implementation Report for 2014* details our work implementing safeguards in the 180 States with safeguards agreements in force last year. Findings are based upon our evaluation of all safeguards relevant information available to the Agency. We draw our conclusions on the basis of these findings.

We continue to upgrade the Agency’s safeguards IT systems and have successfully completed the migration of safeguards data and applications from the mainframe to a modern server environment. This is an important milestone towards the full integration of all safeguards information into a common and secure environment. Full implementation of the MOSAIC project will in future enable us to generate data for the SIR in as little as five weeks, instead of five months, as at present.

The next technical meeting on safeguards implementation will take place next month and will include an up-date on State-level safeguards approaches.

Conclusion of Safeguards Agreements and Additional Protocols

Since my last report, an additional protocol has entered into force for Cambodia. A comprehensive safeguards agreement, with a small quantities protocol and an additional protocol, has entered into force for Djibouti. A comprehensive safeguards agreement with a small quantities protocol has been signed for Micronesia.

The number of States with safeguards agreements in force now stands at 182, while 126 States have brought additional protocols into force. I ask non-nuclear-weapon States party to the NPT without comprehensive safeguards agreements in force to bring such agreements into force without delay. I hope that States which have not yet concluded additional protocols will do so as soon as possible. I also call on States with small quantities protocols based on the old standard text to amend or rescind them.

***Application of Safeguards in the Democratic People’s Republic of Korea***

          Madam Chairperson,

I remain seriously concerned about the nuclear programme of the Democratic People’s Republic of Korea.

It is now more than six years since Agency inspectors were asked to leave the DPRK. Nevertheless, the Agency maintains its readiness to play an essential role in verifying the DPRK’s nuclear programme. I call upon the DPRK to comply fully with its obligations under relevant Security Council resolutions, to cooperate promptly with the Agency in implementing its NPT Safeguards Agreement, and to resolve all outstanding issues.

***Implementation of Safeguards in the Islamic Republic of Iran***

Madam Chairperson,

Concerning safeguards implementation in Iran, the Agency continues to verify the non-diversion of nuclear material *declared* by Iran under its Safeguards Agreement. However, the Agency is not in a position to provide credible assurance about the absence of *undeclared* nuclear material and activities in Iran, and therefore to conclude that *all* nuclear material in Iran is in peaceful activities.

At their talks in Lausanne in April, Iran and the E3+3 countries took a step forward by announcing key parameters of a Joint Comprehensive Plan of Action. If requested, the IAEA is ready to undertake monitoring and verification of the nuclear-related measures to be agreed under the Plan, subject to the endorsement of the Board of Governors and the availability of resources. In order to help make the Joint Comprehensive Plan of Action technically sound, the Agency has been engaging closely with both Iran and the E3+3 countries.

Conclusion of a Joint Comprehensive Plan of Action that includes implementation by Iran of the Additional Protocol will strengthen safeguards implementation in Iran and significantly increase the Agency’s ability to provide credible assurance about the absence of undeclared nuclear material and activities in the country. Other measures in the Joint Comprehensive Plan of Action are expected to provide additional assurance.

I am confident that the clarification of issues with possible military dimensions is possible within a reasonable timeframe if Iran implements the measures envisaged in the Lausanne announcement. Once the Agency has established an understanding of the whole picture concerning issues with possible military dimensions, I will report our assessment to the Board of Governors.

I had talks with Foreign Minister Zarif and Deputy Foreign Minister Araghchi, in which we discussed how the resolution of all outstanding issues related to Iran’s nuclear programme can be accelerated. The Agency remains ready to accelerate the resolution of all outstanding issues under the Framework for Co-operation. This can be realised by increased co-operation by Iran and by the timely provision of access to all relevant information, documentation, sites, material and personnel in Iran.

***Implementation of the NPT Safeguards Agreement in the Syrian Arab Republic***

Concerning the implementation of safeguards in the Syrian Arab Republic, there have been no significant developments since my last statement to the Board. I renew my call to Syria to cooperate fully with us in connection with unresolved issues related to the Dair Alzour site and other locations. I will continue to keep the Board informed.

**NPT Review Conference**

In April, I addressed the 2015 NPT Review Conference in New York, giving an overview of activities and achievements in all areas of our work. I welcomed the strong support expressed by NPT States Parties for the work of the Agency. I was also grateful for pledges of new contributions to the Peaceful Uses Initiative made by a number of countries, totalling more than 75 million dollars. I look forward to continuing with this valuable initiative.

Despite the absence of a final document at the NPT Review Conference, I am confident that States Parties will continue their work to achieve the objectives of the Treaty. The Agency remains ready to make its expertise available, as requested.

**Management Issues**

Turning now to management issues, I am pleased that the Programme and Budget Committee was able to recommend to the Board the transmittal of the Agency’s financial statements to the General Conference. We have again received an unqualified opinion on our financial statements from the External Auditor. The IAEA Office of Internal Oversight Services intends to increase transparency concerning its internal audit activities.

The *Programme and Budget for 2016–2017* reflects the same priorities outlined in 2014–2015, namely technical cooperation, nuclear safety and security, and the modernisation of the Seibersdorf laboratories. Nuclear energy remains a priority in line with our Statute.

My revised budget proposal for 2016–2017 focused on achieving efficiencies and savings, especially in the area of overall management and coordination. The proposal represents a 1.6% overall increase for 2016 over 2015, including a price adjustment of 0.1%. I strongly hope that there will be consensus on this proposal and that the Board will recommend the Programme and Budget to the General Conference. I also hope that there will be consensus on new TCF targets.

I express my appreciation to Ambassador Paradas and Ambassador Misra for their skilful stewardship of the Working Group on the Regular Budget and TCF targets.

The Working Group for Resource Mobilization, established in March, has submitted draft *Strategic Guidelines on Partnerships and Resource Mobilization* for approval by the Board. I thank Ambassador Oyugi and Ambassador Angell-Hansen for their effective co-chairmanship.

The Agency-wide Information System for Programme Support (AIPS) is now three-quarters complete. Work is proceeding on the fourth and final phase of the project, covering the management of travel and meetings.

Finally, Madam Chairperson, I wish to pay tribute to three senior colleagues who are leaving the Agency: Mr Frank Moser, Mr Peter Manase Salema and Mr Geoffrey Shaw. I thank them for their hard work and dedication.

A special word of thanks must go to Mr Kwaku Aning, who has been a significant figure in the recent history of the Agency. He served with great distinction in a number of key positions for 15 years. As DDG for Technical Cooperation since 2011 – the first DDG from the African continent – Kwaku has been dedicated to achieving the best outcomes for Member States. He energetically supported TC projects in the field, showed calm leadership and never lost his sense of humour. I have greatly valued his sound advice.

I wish Kwaku and all of our departing colleagues every success in the future.

Thank you, Madam Chairperson.