STATEMENT BY MR. B.S. PRAKASH, JOINT SECRETARY ON REPORT OF THE INTERNATIONAL ATOMIC ENERGY AGENCY (AGENDA ITEM 14) ON OCTOBER 22, 2001

Mr. President,

The Indian delegation has taken note of the Report of the International Atomic Energy Agency (IAEA) presented by the Agency's Director General Dr Mohamed ElBaradei.

2. The Agency must be commended for bringing out, as in the past few years, the "Nuclear Technology Review". The review has cited studies conducted by prestigious organisations, which indicate the necessity and indeed the inevitability of nuclear energy over the long-term. Evidently, objective analyses of various energy scenarios reveal that nuclear energy forms an important component in the energy mix and that it will be one of the principal sources of electricity in the future.

3. Presently, of course, we are faced with an unusual situation wherein many industrialized countries, with capabilities in nuclear power technology are witnessing electricity demand saturation, while many developing countries, for one reason or another, are unable to access nuclear power. In sharp contrast, to this global scenario the situation in some Asian countries, especially India, is vastly different since in these countries there is a growing energy demand matched by significant industrialization already in place. These countries have acquired the necessary capability to pursue nuclear power technology to meet their energy needs. If the global community wishes to bridge the energy divide to the maximum extent, as a pre-requisite for economic development, there is no alternative to large scale utilization of nuclear energy. Several studies have confirmed such a conclusion, but such studies are premised on misplaced perception of the inability of developing countries to access energy sources either due to lack of financial resources or due to a psychological fear on their part in the matter of nuclear power.

4. It is gratifying to note that the Commission on Sustainable Development recognised the value of nuclear energy in the context of sustainable development and agreed that the choice to use appropriate energy sources should be left to the countries concerned. The nuclear option, however, suffered a setback at the Bonn meeting of the Conference of Parties to the Framework Convention on Climate Change when it was decided that developed countries are to refrain from using certified emission reductions generated from nuclear facilities to meet their commitments under the Kyoto Protocol. It is ironical that an energy source that is devoid of the danger of green house gas emissions should be discouraged by a body that is most concerned with the reduction of green house gas emissions. We commend the role of the IAEA Secretariat in New York as well as in Bonn for distributing fact sheets on nuclear power and sustainable development, organising side events and presenting case studies all of which made considerable impact.

Mr. President,

5. We should recognize the reality that as nuclear power will play an increasingly important role in meeting the energy needs of the world there is an imperative need to eliminate, through innovation and improvement, the remaining concerns about nuclear

power generation. Thus, we need technological solutions not only to address economical generation of nuclear power but also to address the question of safety, sustainability, proliferation resistance and long-term waste management. We believe that there are several options by way of technological solutions, which would simultaneously address all these issues. The development of the Advanced Heavy Water Reactor in India is a step in this direction. In this context the initiative of IAEA to launch the International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO) is highly laudable and worthy of strong support and participation. Programmes like this, if well supported, would contribute to greater nuclear power generation as well as to enhancing safety worldwide with no fear of proliferation. We, therefore, strongly recommend better budgetary support to such programmes, which simultaneously address the long-term objectives of IAEA programmes in nuclear energy, nuclear safety and safeguards. On our part, we are actively participating in this vital programme, including by way of providing cost-free expertise. We hope it would be possible for this programme to be made a part of the regular budget of the Agency with adequate support. We feel that this is the most cost effective strategy that could meet the statutory mandate of the IAEA in the long run without losing the balance between its promotional and safeguards activities.

6. India's modest uranium resources have been a key determinant in the direction that our nuclear power programme has taken. A closed-nuclear fuel cycle, which involves reprocessing and recycling of fissile materials, is central to our nuclear energy policy. Incidentally, this also facilitates a logical answer to management of long-term waste issue. Since our thorium reserves are five to six times larger than our uranium reserves, thorium utilisation for large-scale energy production is an important long-term goal of our nuclear power programme.

7. In the year 2000, four 220 MWe Pressurised Heavy Water Reactor (PHWR) units commenced commercial operation in India, bringing our nuclear power capacity to 2720 MWe from 14 operational units. India's nuclear power reactors are also maintaining high capacity factor of around 82%. In the next ten years it is envisaged that a total nuclear power capacity of about 10,000 MWe would be established. Our fast breeder reactor programme is on course. The design of the 500 MWe sodium cooled pool type Prototype Fast Breeder Reactor (PFBR) is nearing completion and we expect to be able to commence construction of PFBR soon. The detailed design and development of the Uranium-233 and plutonium fuelled Advanced Heavy Water Reactor (AHWR) continues at the Bhabha Atomic Research Centre (BARC). Research and development in fusion technology continues.

8. Self-reliance continues to be the guiding principle of our nuclear programme, which is now firmly in place and would continue to grow on the basis of indigenous capabilities. However, to increase the share of nuclear power rapidly, the import of Light Water Reactor (LWR) technology has been envisaged. We are now in the process of setting up two 1000 MWe VVERs in collaboration with the Russian Federation. Consistent with our policy, these reactors will also be placed under the facility specific safeguards of the IAEA. The same would apply to other similar plants established through imports in the future.

9. While nuclear power is a major component of our R&D activities, we continues to lay emphasis on applied research in the use of atomic energy in non-power areas such as health, agriculture, food processing, water and industry.

10. India is alert to the dangers inherent in illicit trafficking of nuclear materials and other radioactive sources particularly in the context of the international situation brought about by the terror strikes of 11 September 2001. The events since have underlined the necessity for the international community to pool its efforts to counter the menace of global terrorism. India appreciates the efforts made by the IAEA for the past several years in cooperation with other States for preventing and combating illicit nuclear trafficking. In India we have an elaborate domestic system through adherence to the standards of physical protection recommended by the IAEA. We also have put in place a stringent system of export controls to rule out illicit diversion of material equipment or technology in the nuclear field.

Mr. President,

11. India considers the Regional Cooperative Agreement for Asia and the Pacific (RCA) as an important mechanism for the growth and use of nuclear technologies for sustainable development in the region. Following the Agency's efforts in transferring more and more management responsibilities and ownership to Member States, we have been continuously increasing our participation in the RCA Programmes. India has the requisite expertise in various RCA related activities and well developed infrastructure facilities, which have been made available as Regional Resource Units. India has been regularly making its contribution to the Technical Cooperation Fund (TCF) in full and on time. This year also we have pledged to contribute in full to the TCF.

12. The Agency, which has been fulfilling its mandate and has enlarged its core competence in the last past 44 years deserves whole-hearted support, both technological and financial. New obligations of the Agency cannot be met without additional financial resources. Through a budgetary gimmick this year we have managed to appear adhering to zero real growth, but in actual fact, there has been an increase in the outlay of the Agency. We have always urged that the IAEA, as a unique multi-disciplinary S&T Organisation in the U.N. system, must have means to execute its activities. Under the 'one-house' concept rightly advocated by the D.G., it should be possible to judiciously use the scarce resources and implement activities that are mandatory, statutory, sought by G.C. resolutions, or requested by Member States. While extra-budgetary support has its uses, it fundamentally promotes commerce but not the technological empowerment.

13. The IAEA was created with the primary objective of accelerating and enlarging the contribution of atomic energy to peace, health and prosperity throughout the world. This objective can be fulfilled only through advancement of technology. Accordingly, technology must become the central pillar on which the Agency's activities should rest. Safety and safeguards, while indeed important, can only be supporting activities.