



Permanent Mission of
Malaysia
to the United Nations

**STATEMENT BY THE DELEGATION OF MALAYSIA
AT MAIN COMMITTEE III
OF THE 2005 REVIEW CONFERENCE OF PARTIES TO THE
TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS (NPT)
MAY 2005, NEW YORK**

Thank you, Madam Chair,

1. The Malaysian Delegation congratulates you on your appointment as the Chair of this Main Committee. We are confident that your capable leadership will guide our work to a successful completion and we look forward to working with you. My Delegation associates itself with the statement of the NAM States Parties to the NPT on this cluster of issues, especially the relevant paragraphs relating to Articles III and IV of the Treaty. My Delegation would, however, wish to outline the elements that we also view to be as important.

Madam Chair,

2. I wish to recall that Principle 19 of the Principles and Objectives for Nuclear Non-proliferation and Disarmament at the 1995 NPT Review and Extension Conference has embodied the commitment by States Parties to the Treaty to make every effort to ensure that the International Atomic Energy Agency (IAEA) has the financial and human resources necessary to meet effectively its responsibilities in the areas of technical co-operation, safeguards and nuclear safety.

3. Malaysia firmly believes that contributions by State Parties to the IAEA's Technical Co-operation Fund (TCF) are important in ensuring the successful mobilization of IAEA Technical Co-operation Programme, the major instrument for the promotion of the peaceful use of nuclear energy through technology transfer. Any unpredictability in the funding to TCF will clearly weaken one of the three pillars of the NPT.

4. Despite substantial progress achieved in the area of safeguards and nuclear safety, Malaysia, however, is concerned that funding for the IAEA's technical co-operation programme through predictable and assured resources remain insufficient and lagging behind. Current uncertainty in TCF funding,

resulting from changes in recent pledging and payment patterns will have a profound effect on future financing of the IAEA's technical co-operation and assistance programme.

5. There still remains footnote \a projects, which have been identified to be responding to the real needs of developing States but are, however, constrained in their implementation due to limited resources.

Madam Chair,

6. My Delegation, nevertheless, wishes to take this opportunity to accord due recognition to all States, in particular major donors, that have contributed extra-budgetary resources on top of their assessed contribution to the TCF. Malaysia calls on all Member States, particularly among NPT Member States of the IAEA, to renew and enhance their political commitment to make the resources available to the TCF more predictable, in line with their undertaking and responsibilities under the Treaty. Malaysia will continue to honour its financial commitment to the IAEA, including the contribution to the TCF and the National Participation Costs (NPCs).

7. Malaysia finds that, in spite of budgetary constraints, the delivery of the IAEA technical co-operation programme remains commendable. We are of the view that that technical co-operation, whether bilateral, regional, or otherwise, is an important confidence-building measure in encouraging Member States to be more transparent in their national nuclear programmes, thus deterring the misuse of nuclear technology or the diversion of nuclear materials for non-peaceful purposes.

8. My Delegation believes that the imminent rise in the cost of implementing additional measures and demands in safeguards will affect the current "voluntary" financing of technical co-operation in the near term especially following the development of the newly established IAEA Nuclear Security Fund.

Madam Chair,

9. I now turn to the idea of having multilateral arrangements to the nuclear fuel cycle. In this regard, Malaysia views that any multilateral approach to the nuclear fuel cycle should not adversely affect the fundamental inalienable rights under Article IV of the Treaty, either by imposing a mandatory permanent suspension of such a right as a pre-condition for participation by any NPT State Party in any such multilateral approach, or otherwise. Nevertheless, a temporary voluntary waiver of such a right as a pre-condition for participation in any such multilateral approach, but effective only for the duration of the multilateral arrangement, subject to a continued assurance of supply to the relevant nuclear fuel cycle services and material, and with appropriate guarantees, including guaranteed financial and other relevant compensation for failure of supply for

reasons other than any violation or breach of nuclear non-proliferation commitments, could contribute to the larger objective of strengthening the non-proliferation regime.

10. Malaysia firmly believes in the need for the nuclear non-proliferation export control regimes established independently from the framework of the NPT to be de-politicised and rationalised with the fundamental provisions of the Treaty, for the multilateral approaches to the nuclear fuel cycle to succeed. To achieve this, any denial of nuclear export should solely be based on a breach of non-proliferation commitments on the part of the importing State, and as exclusively verified by the IAEA, as the safeguards verification agency for the NPT. Taking into account the proliferation significance of the nuclear fuel cycle technology, the requirement to sign and fully implement the Additional Protocol as a condition to participate in any such multilateral arrangement could also be supported.

11. Malaysia also firmly believes that preferential treatment in the transfer of peaceful nuclear technology should be given to all developing NPT non-nuclear weapon States Parties that consistently continue to honour their non-proliferation commitments in accordance with Articles I and II of the Treaty, as a rebuilding confidence measure for the Treaty, particularly in the context of the multilateral approaches to the nuclear fuel cycle.

12. Malaysia believes that all nuclear programmes should be strictly for peaceful purposes only. But on the issue of withdrawal, Malaysia recognizes the sovereign right of States parties to withdraw as provided for in Article X of the NPT. The right of withdrawal of States Parties from treaties or conventions should be governed by international treaty law.

Thank you, Madam Chair,

