Preparatory Committee for the 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons

23 May 2007

Original: English

First session Vienna, 30 April-11 May 2007

Perspectives on issues related to cluster three

Working paper submitted by Australia

1. Australia has a long record of demonstrating strong support for the rights of NPT parties to benefit from the peaceful uses of nuclear energy. We are a major uranium supplier and hold some 40 per cent of the world's known low-cost uranium reserves.

2. Australia has a significant nuclear science and technology base, including that associated with the state-of-the-art "Open Pool Australian Light-water" (OPAL) research reactor, officially opened by Prime Minister Howard on 20 April 2007. OPAL will be one of the world's leading facilities for nuclear applications in health, biology, engineering, material science, environmental studies and nutrition.

3. On 28 April 2007, Prime Minister Howard announced a new strategy for the future development of uranium mining and nuclear power in Australia. The strategy will be implemented to increase Australian uranium exports and to prepare for a possible expansion of the nuclear industry in Australia. The strategy will involve a number of actions that can be taken immediately, including removing unnecessary constraints impeding the expansion of uranium mining in Australia and making a commitment to Australia's participation in the Generation IV advanced nuclear reactor research programme. On the issue of nuclear power and possible further development of the nuclear fuel cycle in Australia, no decisions have been taken. Rather, the Australian Government will develop a number of major workplans, mapping out a way forward for an appropriate nuclear regulatory regime, and required skills and technical training, to support a possible expanded nuclear energy industry in Australia.

4. IAEA has an essential role in assisting developing States in the peaceful uses of nuclear energy. Australia makes a substantial contribution to the IAEA Technical Cooperation Fund, and contributes significant extrabudgetary funding to the Regional Cooperative Agreement for Research, Development and Training Related to Nuclear Science and Technology.

^{*} Reissued for technical reasons.



5. NPT parties that comply faithfully with the Treaty's non-proliferation obligations have every right to benefit from peaceful nuclear energy, in conformity with the NPT's non-proliferation and verification requirements under articles I, II and III of the Treaty. But any State that wilfully violates safeguards obligations isolates itself from the benefits of NPT adherence, including cooperation in the peaceful uses of nuclear energy, until it returns to full compliance. More generally, whether development of uranium enrichment and reprocessing is consistent with the NPT's non-proliferation objectives depends on many factors, including non-proliferation.

6. Effective national controls over the production and export of sensitive technology and materials and international coordination in the application of national laws are a legitimate and necessary means for States to implement their obligations under article III.2 of the Treaty. Far from impeding legitimate nuclear trade and cooperation, export controls foster the necessary environment of long-term assurance and stability necessary for peaceful nuclear cooperation.

7. The Nuclear Suppliers Group and Zangger Committee have developed harmonized export controls to facilitate responsible nuclear trade and cooperation, while minimizing the risk of nuclear-weapons proliferation. Both the Nuclear Suppliers Group and the Zangger Committee continue to operate transparently. All States should ensure that their nuclear export controls are of a standard at least equivalent to the major nuclear export control regimes and that they are strictly enforced. Supply arrangements should also take into account the evolution of the Agency's safeguards system, notably the strengthened safeguards system. Australia has made an Additional Protocol a condition for supplying Australian uranium to non-nuclear-weapon States.

8. Another key factor is the adherence of States to internationally accepted standards of nuclear safety and security, including those set out in the Convention on the Physical Protection of Nuclear Material, the Convention on Nuclear Safety, the Joint Convention on the Safety of Spent Fuel Management and the Safety of Radioactive Waste Management, the Early Notification and Assistance Conventions, the Code of Conduct on the Safety and Security of Radioactive Sources and the Code of Conduct on the Safety of Research Reactors. Australia welcomes the work that has been started by the Safety Standards Commission to review the overall structure of the IAEA's safety standards. We supported adoption of the IAEA Safety Fundamentals, an important step in demonstrating unity of radiation protection and nuclear safety. We welcome the work to revise the basic radiation protection requirements: the Basic Safety Standards.

9. Australia welcomes the adoption in 2005 of an important, strengthening amendment to the Convention on the Physical Protection of Nuclear Material. Australia expects to ratify the amendment in the next few months. All parties to the Convention should ratify the amendment as soon as possible and should act in accordance with the object and purpose of the amendment until it enters into force. States that have not yet done so should adhere to the Convention and adopt the amendment. Australia also welcomed conclusion of the Convention for the Suppression of Acts of Nuclear Terrorism in 2005, and was among the first to sign it. Our contributions to the IAEA Nuclear Security Fund and the Group of Eight Global Partnership against the Spread of Weapons and Materials of Mass Destruction illustrate the importance Australia attaches to ensuring that the threat of

nuclear terrorism never becomes a reality. Australia is a partner in the Global Initiative to Combat Nuclear Terrorism, which aims to prevent terrorists acquiring or using nuclear materials or radioactive substances, or taking hostile actions against nuclear facilities.

10. Australia welcomes complementary measures such as Security Council resolution 1540 (2004), which, inter alia, requires States to enact effective export controls. We also strongly support the Proliferation Security Initiative as a valuable means for helping prevent and deter illicit flows of weapons of mass destruction and missile related items to and from States of concern and non-State actors. The Proliferation Security Initiative is supported by over 80 countries.

11. Almost all States have some form of radioactive waste to manage, and we urge those that have not yet become party to the Joint Convention on Spent Fuel and Radioactive Waste to do so. We are particularly pleased that all States operating nuclear power reactors are now party to the Convention on Nuclear Safety, and urge all States currently constructing or planning nuclear power reactors to adhere to that Convention without delay. Australia is pleased to support the goals of the Asian Nuclear Safety Network, and currently to chair its Steering Committee. Among other important safety developments, Australia welcomes adoption by IAEA of the Code of Conduct on the Safety of Research Reactors, endorses the guidance for the safe management of research reactors set out in the Code and urges States to apply the guidance in the Code to the management of research reactors.

12. Australia welcomes the fact that IAEA is addressing the issue of denial of shipment of radioactive materials, and encourages the Agency to continue its work with a view to resolving this problem for all radioactive materials meeting the required safety regulations. We welcome progress made in addressing this issue in conjunction with the International Federation of Air Line Pilots' Associations and other relevant bodies, and the establishment of an international steering committee to coordinate international efforts on resolving denial of shipments issues.

13. In Australia's region, South Pacific countries are concerned about the maritime transport of radioactive materials through their region. Shipping States can point to radioactive materials having been shipped around the world without incident for over 30 years, in strict conformity with international standards and in accordance with international law, and the minimal risk of actual damage in the unlikely event of an accident. Pacific Islands Forum countries expect shipping States to continue to ensure the safety of such shipments. As a member of the Forum, Australia will continue to encourage, and participate in, discussions between its members and shipping States to explore ways to address particular concerns of regional States.

14. Enrichment and reprocessing are usable both for peaceful purposes and for the production of fissile material for nuclear weapons, and therefore of direct relevance to NPT objectives. The prospect of States misusing the NPT's peaceful uses provisions to acquire the technical basis for a rapid "break-out" to nuclear weapons, as well as regional arms races, clandestine international nuclear procurement networks, increased problems with compliance with safeguards obligations and the avowed interest of terrorists in acquiring weapons of mass destruction, has contributed to the current exploration of possible new approaches to the nuclear fuel cycle.

15. A well-functioning international market provides an effective assurance of nuclear fuel supply. At the same time, we are open to exploring whether enhanced assurances for those parties choosing the nuclear power option might further reduce incentives to seek their own enrichment and reprocessing capabilities, and thereby reduce risks. Multilateral approaches regarding the nuclear fuel cycle should be complementary to the primary non-proliferation instruments of effective and universal implementation of IAEA safeguards, including the Additional Protocol, and effective export controls, and should aim to satisfy international needs and ensure commercial competitiveness.

16. Australia is pleased to have been able to contribute significantly to the peaceful applications of nuclear energy. The commitment of NPT parties to the highest standards of non-proliferation, nuclear and radiation safety and nuclear security remains central to the climate of confidence and trust essential for cooperation in the peaceful uses of nuclear energy.