2005 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons

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Articles III (3) and IV, preambular paragraphs 6 and 7, especially in their relationship to article III (1), (2) and (4) and preambular paragraphs 4 and 5 [Approaches to the nuclear fuel cycle]

Working paper for submission to Main Committee III by Australia, Austria, Canada, Denmark, Hungary, Ireland, the Netherlands, New Zealand, Norway and Sweden

- 1. The Conference notes that the nuclear technologies of enrichment and reprocessing are usable both for peaceful purposes and for the production of fissile material for nuclear weapons. The Conference recognizes therefore that these nuclear technologies are of direct relevance to the objectives of the Treaty on the Non-Proliferation of Nuclear Weapons.
- 2. The Conference notes that, although various approaches to the nuclear fuel cycle have been extensively discussed, studied and researched in the past, several factors have contributed to the unprecedented contemporary relevance of this issue to the global nuclear non-proliferation regime. These factors include the prospect of States misusing the peaceful uses provisions of the Treaty 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. Another factor is growing interest in expanding the peaceful uses of nuclear energy, in particular with regard to the use of nuclear power. With increasing availability of the required technology, these trends are likely to persist in the future.
- 3. At the same time, the Conference recognizes that multilateral approaches to 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. Strengthening and implementing these primary instruments remains of paramount importance. In addition, multilateral approaches to the nuclear fuel cycle should be considered as complementary to other measures to reinforce the non-proliferation regime, such as

the Comprehensive Nuclear-Test-Ban Treaty and a possible fissile material cut-off treaty.

- 4. The Conference supports continuation of the current extensive international dialogue on nuclear fuel cycle issues in relevant international forums. In this context, the Conference commends the IAEA Director General for recognizing the need to address the issue by commissioning the report of the independent expert group on the theme "Multilateral approaches to the nuclear fuel cycle" (INFCIRC/640). The report is a welcome and valuable contribution to discussions of this important topic.
- 5. The Conference emphasizes that a multifaceted approach to the nuclear fuel cycle, which both reduces the risk that nuclear materials, equipment and technology might be diverted to military purposes and limits the existing global inventory of material directly usable in nuclear weapons and the capacity to produce the same, should be carefully considered. Such an approach could provide the benefits of cost effectiveness and economies of scale for whole regions, for smaller countries or for those with limited resources. In this respect, a non-discriminatory approach to assuring the supply of nuclear fuel and material for peaceful purposes should aim to maintain enrichment and reprocessing capacity globally at a level sufficient to meet international demand and to ensure commercial competitiveness. Such an approach should be developed with due regard to the inalienable right of States party to the Treaty on the Non-Proliferation of Nuclear Weapons to the peaceful uses of nuclear energy (article IV of the Treaty), in conformity with the non-proliferation provisions of the Treaty under articles I, II and III.
- 6. The objective of increasing non-proliferation assurances associated with the civilian nuclear fuel cycle, while preserving assurances of supply and services around the world, would be advanced by further exploration of issues and options relating, inter alia, to a step-by-step consideration of the five approaches to controlling access to the nuclear fuel cycle outlined in the report of the IAEA expert group.

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