
**LETTER DATED 7 JANUARY 2003 FROM THE PERMANENT REPRESENTATIVE
OF THE NETHERLANDS TO THE CONFERENCE ON DISARMAMENT
ADDRESSED TO THE SECRETARY-GENERAL OF THE CONFERENCE ON
DISARMAMENT TRANSMITTING A SUMMARY OF THE SECOND OPEN-ENDED
INFORMAL MEETING IN THE FRAMEWORK OF THE NETHERLANDS' FMCT-
EXERCISE, ON A TREATY BANNING THE PRODUCTION OF FISSILE MATERIAL
FOR NUCLEAR WEAPONS AND OTHER NUCLEAR EXPLOSIVE DEVICES, HELD
IN GENEVA ON 25 SEPTEMBER 2002**

I have the honor to forward to you a summary of the second open-ended informal meeting in the framework of the Netherlands' FMCT-Exercise on the issue of banning the production of fissile material for nuclear weapons and other nuclear explosive devices (FMCT).

This meeting was organized on Wednesday September 25, 2002, by the delegation of the Kingdom of the Netherlands to the Conference on Disarmament. The total number of participants in this meeting was well over 100. Over 50 countries attended this meeting as well as representatives from NGO's, some international organizations as well as the IAEA in Vienna.

The scope of an FMCT: a presentation by Tom Shea (IAEA)

At this meeting, Mr. Thomas Shea, head of the Trilateral Initiative Office of the Department of Safeguards of the International Atomic Energy Agency (IAEA) in Vienna, gave on behalf of the IAEA a presentation on the possible framework of a treaty banning the production of fissile material for nuclear weapons and other nuclear explosive devices (FMCT). A copy of his presentation is attached to this document.

Issues that were addressed in the presentation of Mr. Shea, include:

- what could an FMCT cover (scope, definitions, what kind of facilities);
- how could an FMCT be verified (declarations, verification);
- what exceptions for military use are to be made (naval propulsion and other non-explosive military applications);
- what other relevant elements need to be considered (organization, costs and legal elements like entry-into-force).

Issues raised in the discussion that immediately followed Mr Shea's presentation, included the scope of the verification regime of an FMCT, the financing of the verification regime of an FMCT, the issue of stockpiles (including the relevance of the Trilateral Initiative for an FMCT) and the relevance of an FMCT to prevent nuclear terrorism.

Scope of the verification regime of an FMCT

Regarding the scope of the verification regime of an FMCT, the discussion focused on the issue whether verification of an FMCT should apply to all states, or only to those states that are not prohibited under the NPT to produce and possess nuclear weapons (i.e. the five 5 nuclear weapon states and those three states that are not a member to the NPT). Furthermore whether it should closely resemble the current system of IAEA-Safeguards for non-nuclear weapon states (INFCIRC/153 and INFCIRC/540) or separate verification regimes should be developed for the nuclear weapon states and the non-nuclear weapon states respectively.

The financing of the verification regime of an FMCT

The financing modalities of the verification regime are closely inter-linked with the scope of that regime, in particular the categories of facilities that should be covered by the verification regime. Options for financing that were mentioned in the discussion included were financing by those states that produce fissile material for nuclear weapons and other nuclear explosive devices or by all States Parties to the FMCT through the application of the UN scale of assessments or a comparable model.

An alternative model for the financing of the verification regime of the future organization that was mentioned in the discussion was based on a surcharge per kiloton nuclear energy produced.

The issue of stockpiles (including the relevance of the Trilateral Initiative) Regarding the issue of stocks of excess fissile material, it was recognized that the mandate for the FMCT-negotiations (the Shannon-mandate as contained in document CD/1299) is ambiguously formulated. In the discussion 3 options were raised: whether (a) the issue of stocks is more properly dealt with within the scope of the treaty, (b) through separate but supporting mechanisms (like the Trilateral Initiative), or (c) should not be dealt with at all within the framework of an FMCT. Regarding separate supporting mechanisms, it was discussed whether already existing mechanisms like the Trilateral Initiative (a framework between the IAEA, the Russian Federation and the United States on collective monitoring of the respective excess stockpiles) could for example be used as an alternative way to deal with this issue.

In this respect, the working paper of South Africa on a so-called baseline model for stocks of excess material (document CD/1671), was also mentioned during the discussion. In this working paper of South Africa, it is argued that including stocks of fissile material in the negotiations would be very difficult; not only from a political, but also from a practical point of view. Also based on their own experience, there appears to be a significant gap between the actual size of stocks and the quantity of fissile material that the NWS could be supposed to possess on the basis of their past production records.

The relevance of an FMCT to prevent nuclear terrorism

The last issue that was raised during the discussion that followed Dr. Shea's presentation, dealt with the relevance (or not) of an FMCT to prevent nuclear terrorism. It was widely felt that the contribution of an FMCT in this respect would be limited. Although an FMCT would provide additional opportunities for verification, the already existing conventions against terrorism, as well as the Convention on Physical Protection of Nuclear Materials were generally deemed to be more relevant in this respect.

I would be grateful, if you could issue this letter as well as the attachment to this letter as an official document of the Conference on Disarmament, and distribute it to all Member States of the Conference and non-member States participating in its work,

Yours Sincerely,

(Signed):

Chris C. Sanders
Ambassador
Permanent Representative of the Netherlands
to the Conference on Disarmament



Attachment*

The FM(C)T :
Verification issues

Introduction by Thomas E. Shea
International Atomic Energy Agency

**Exercise on banning the production of fissile material for nuclear weapons
and other nuclear explosive devices: an essential step towards nuclear
disarmament and non-proliferation**

**Organised by the Permanent Mission of the Netherlands
To the Conference on Disarmament**

Geneva, 25 September 2002

* The attachment is being circulated in the language
of submission only.

The FM(C)T: Verification Issues

"Informal open-ended educational and informative meeting on FM(C)T"
Convened by Permanent Mission of the Netherlands to the Conference on
Disarmament, 25 September 2002

Thomas E. Shea, PhD
International Atomic Energy Agency

Caveat

- Subject has many controversial aspects
- Objectives, scope and treaty provisions are for CD to decide
- Different positions proposed over time, many in conflict
- intention to look at alternatives without recommendations
- IAEA safeguards seen as one reference to view possible FM(C)T arrangements

In 1993, the UN General Assembly passed a resolution calling for a non-discriminatory multilateral and internationally and effectively verifiable treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices.

1995: The Shannon Mandate

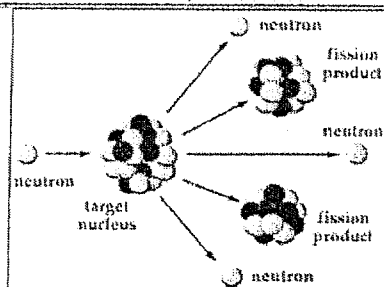
- Agreed by the CD on the basis of 1993 UNGA resolution
- An Ad Hoc Committee to be established to negotiate a fissile material cut-off treaty.
- No delegation precluded from raising the issues of the treaty's scope and verification in the Ad Hoc Committee

Scope Options

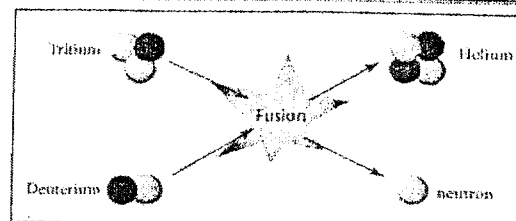
The term "FM(C)T" is used in this presentation as a range of views exists on whether the treaty might be limited to a "production cut-off", a broader "acquisition control" or a general purpose "fissile material" treaty

Fissile / Fissionable Material

The energy released by fissioning 1 kg of ^{235}U is approximately equal to 17,000,000 kgs of TNT (17 kilo tonnes, or 17 kT)



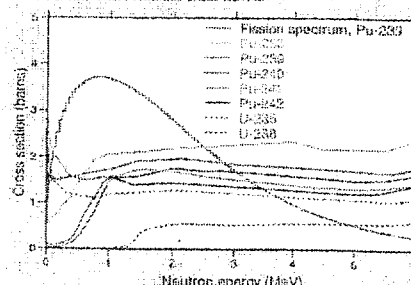
Fusion reactions do not release as much energy per reaction as fission, but because the materials are very light, fusing 1 kg of D+T yields almost five times the yield from fissioning 1 kg of plutonium or ^{235}U .



Key Properties for Fissile / Fissionable Material Use in Nuclear Explosives

- Induced fission cross section: indicates likelihood that if struck by a neutron, will fission
- Number of neutrons per fission
- Compressibility
- Spontaneous fission
- Radiation: heat from α emissions, γ -rays
- Metallurgy

Fission Cross Sections for Plutonium and Uranium
Source: IAEA Nuclear Data Section



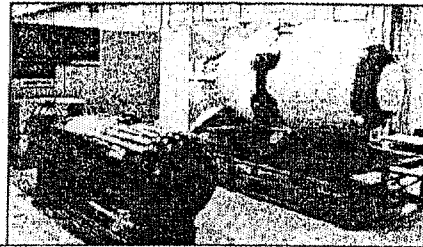
Fissile Material

- ✓ Plutonium (less than 80% ^{238}Pu)
- ✓ Uranium (enriched to at least 20% ^{235}U)
- ✓ ^{233}U (intense high energy gamma rays)
- ✓ Neptunium (^{237}Np is fissionable, not fissile)
- Americium (Heat, gamma rays)
- Protactinium (amount)
- Curium & Californium (intense spontaneous fission neutrons)

Fissile Material – A general definition

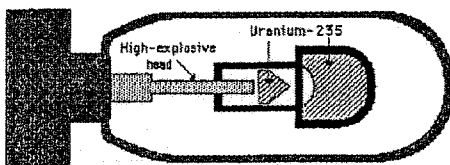
- For the purposes of the Treaty, any nuclear material with fission properties suitable for use in an explosive nuclear, as determined by the Conference of States Parties
- ⇒ When negotiating the Treaty, specific fissile materials could be defined as subject to the Treaty, with straightforward provisions for change, as may arise

Use of Fissile Material in Nuclear Weapons



The first nuclear weapons. "Little Boy" on the left, is a gun-type weapon using ^{235}U . It was dropped on Hiroshima, with no testing before hand. "Fat Man" on the right, is a plutonium implosion weapon. The explosive yield of each was on the order of 15 kT.

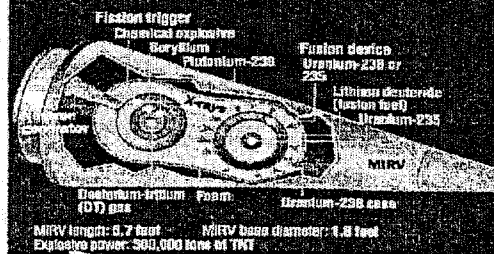
If the Fissile Material does not fission spontaneously, then a gun-type weapon is possible.



Gun-type weapons require more fissile material and are larger than implosion-type weapons.

A modern thermonuclear

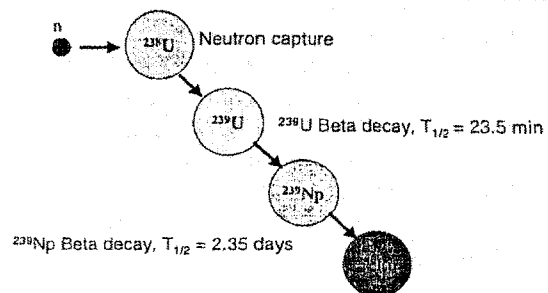
This W87 thermonuclear warhead is launched on an MX intercontinental missile. Packed into a multiple independently targeted re-entry vehicle (MIRV, shown below), it splits off from the missile to strike its target.



Plutonium Production

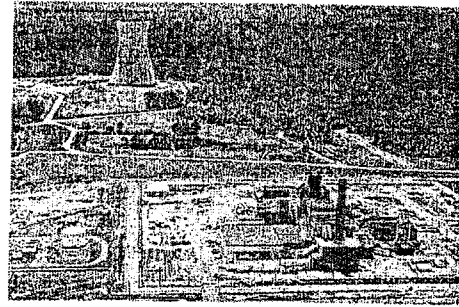
Pu does not exist in nature; it is produced through nuclear transmutation.

Plutonium is produced by nuclear transmutation, when a neutron is absorbed by ^{238}U . The half-life of ^{239}Pu is 24,400 yrs.



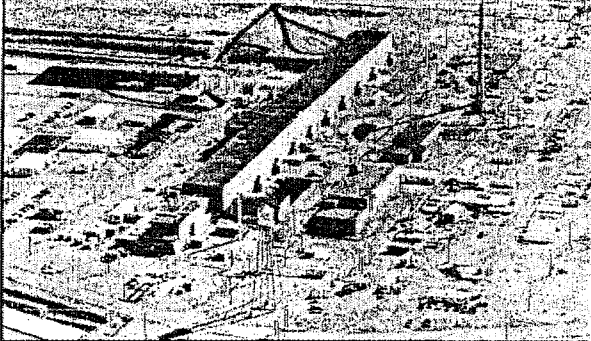
Plutonium Production

- Obtain uranium ore and process to fuel form
- Produce fuel
- Irradiate in nuclear reactor
- Transport to reprocessing plant
- Chop/dissolve fuel cladding
- Separate fission products
- Separate and purify plutonium
- Convert to metal

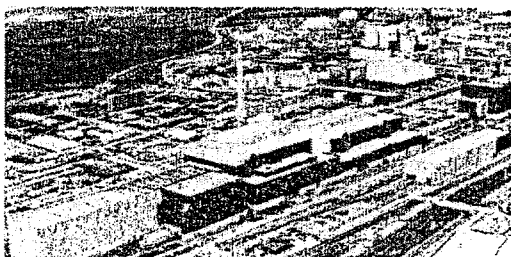


A Plutonium Production Reactor

World War II era reprocessing plant for plutonium extraction and purification



A 2 kg plutonium metal button. Note that with "weapon-grade" plutonium, the radioactivity is low enough so that the plutonium can be handled with appropriate protection.



This Thermal Oxide Reprocessing Plant (THORP) in the US. This commercial facility treats spent fuel from US and overseas reactors, separating the high-level waste from uranium & plutonium. The smaller black building on the right is the ventilation plant for this waste.

Production of High Enriched Uranium (HEU)

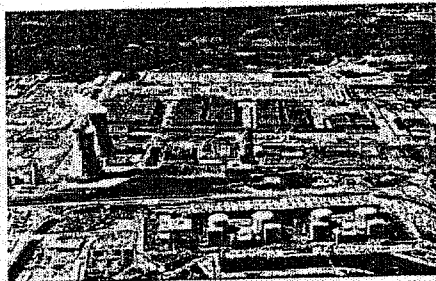
Uranium is found in mineral ores and in water. As found in nature, the percentage of the ^{235}U isotope is 0.71%. The ^{235}U content of uranium is "enriched" to high levels for use in nuclear weapons.

HEU for Nuclear Weapons

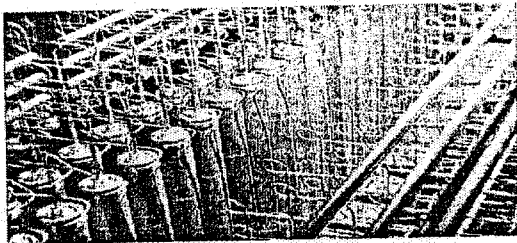
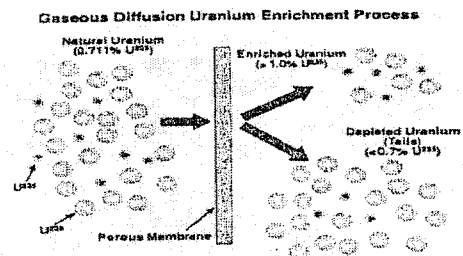
- Obtain uranium ore
- Process to enrichment feed form (UF_6 in most cases)
- Enrich ^{235}U to desired level (up to 93% used in nuclear weapons)
- Convert HEU to metal

Uranium Enrichment Technologies

1. Gaseous Diffusion
2. Centrifuge
3. Electro-magnetic (Calutron)
4. Aerodynamic (South African & Becker)
5. Chemical Exchange
6. Atomic Vapor Laser Enrichment
7. Molecular Laser Enrichment
8. Plasma Enrichment



The Tricastin enrichment plant in France (beyond cooling towers) with the four nuclear reactors in the foreground that provide over 3000 MWe power for it.



Uranium enrichment based on isotopic mass differences requires thousands of stages / machines. Shown are gaseous centrifuges.

Plutonium isotopic enrichment has been demonstrated, but is not common.

Other Issues:

- Should exports / imports be controlled?
- If submarine reactor spent fuel is reprocessed should the HEU recovered be considered to be production?
- If fresh fuels intentionally contain high levels of fission products to inhibit diversion and theft, how should such materials be treated?

Present Situation

- 5 NPT States possess nuclear weapons - China, France, Russia, UK, US. 2 other States have tested - India, Pakistan. 1 other State possesses fissile material not subject to IAEA safeguards - Israel
- Cuba announced it would sign NPT and ratify Tlatelolco. All States with nuclear activities other than the 8 above will be subject to comprehensive IAEA safeguards, including a ban on production of fissile material for use in nuclear weapons or other nuclear explosives

States Party to a comprehensive IAEA Safeguards Agreement are, in effect, already subject to a ban on production of fissile material for use in nuclear weapons or other nuclear explosives

Verification under IAEA Safeguards Aiming to detect:

- Diversion of significant quantities of nuclear material from declared flows / inventories
- Misuse of declared facilities or certain equipment for unreported production of fissile material
- Clandestine production / processing of fissile materials in undeclared facilities

Verification under IAEA Safeguards Guidelines

- Detection amounts chosen to prevent production of the first nuclear weapon
- Detection timeliness geared to "abrupt" & "protracted" diversion strategies
- Detection probabilities geared to strategic value of material

2001 IAEA Safeguards Costs

- Safeguards Staff: 616
- Regular budget expenditure: \$70M
- Extra-budgetary program expenditure: \$20M

IAEA inspectors performing *in situ* verification of seals on fresh fuel assemblies



	1978	1979	2000
Inspections conducted	2307	2675	2481
Percentage of inspectors	10/311	10/260	10/284
Scale applied in nuclear material or radioactive equipment (detected and not necessarily certified)	26/251	25/244	25/234
Detected local applicant items with 100/1000			
Global verification time (minutes)	4552	12171	8178
Value cases assessed	41864	60373	72265
Number material samples analysed	6/45	6/51	6/20
Number material samples for each requested	1/110	1/267	1/401
Environmental samples analysed	4/47	5/11	2/46
Number additional control samples (internal)			
Percentage control time in nuclear area	20/4	2/18	14/18
Supervision of nuclear material	62/4	8/13	12/4
Detected equipment in field elements or nuclear area	7/2	0/0	10/3
High workload areas	21/4	21/2	21/3
Low workload areas	40/467	5/1/297	40/474
Working conditions	10/422	10/163	10/177

- Baseline samples collected in all enrichment facilities and hot cells
- IAEA Clean Lab
- Environmental Sample Labs in IAEA Member States and Euratom



Collecting environmental samples. The detection capability is sufficient to find and analyze particles containing on the order of 0.00000000000001 grams of nuclear material.

Approved by IAEA Board of
Governors: 72

Signed: 67

In Force: 28

(As of 23 September 2002)

FM(C)T Verification

FM(C)T verification effectiveness & costs depend upon:

- The **scope** of the Treaty
- The **amounts of fissile material** that are important to detect (treaty violation)
- The **maximum acceptable time interval** between a violation and its detection
- The **degree of certainty** desired
- The **number of facilities**, their **operational status** and **locations**

Approaches vary widely in the international community

Within the Eight States:

- Focus restricted to FM / related facilities
- Focus makes treaty negotiable
- Effective within limited scope
- Lower cost
- Protects sensitive information

Outside the Eight:

- Wide Scope: similar to comprehensive IAEA safeguards
- Effective (compare with non-nuclear weapon States)
- Broad scope = least discriminatory

My understanding of the views of the Russian Federation

FM Definition:

- Pu: > 95% ²³⁹Pu
- HEU: > 90% ²³⁵U

Subject to verification:

- enrichment plants
- reprocessing plants, separated Pu
- relevant production

No verification:

- Former military and dual-use facilities
- Fuel production facilities for naval propulsion

My understanding of the views of the United Kingdom

FM Definition:

- Unirradiated Pu < 80% ²³⁸Pu
- Unirradiated U > 20% or more ²³⁵U or ²³³U
- Neptunium, Americium

Subject to verification:

- All enrichment facilities
- Reprocessing facilities
- Until material no longer meets FM definition
- Decommissioned / closed facilities

Not subject to verification:

- Existing civil and military stocks
- Spent fuel (before reprocessing)

My understanding of the views of Japan

Subject to verification:

- Civil processes and facilities that involve FM until the material no longer meets the FM Definition
- Naval fuel production (using a "special verification regime")

Not subject to verification

- Existing Stocks

Possible option:

- Declare fissile material / facilities at EIF, excluding FM for nuclear weapons ...
- Material / facilities not verified, but provide basis for future verification.

My understanding of the views of the South Africa

Covered:

- All peaceful facilities containing FM (e.g. enrichment, reprocessing, MOX fuel fabrication, HEU downgrading)
- Former FM production facilities
- Material declared excess to defense needs, using a "special verification regime" for sensitive characteristics
- Facilities producing HEU for naval reactors

Not covered:

- FM in existing weapons and reserves
- Weapon fabrication, storage and dismantling facilities
- Fuel fabrication and reprocessing facilities for naval reactors
- No mention of civil stocks, undeclared production






Basic Questions

- The treaty could require each Party not to *produce*, import (?) or otherwise acquire (?) *fissile material* for use in nuclear weapons ...
- Would it also affect supply? For example, would each Party to the Treaty be prohibited from transferring to any recipient whatsoever *fissile material* for ... ?
- What about facilities, equipment or material for production?


Elements of FM(C)T Verification

- Access to **INFORMATION**
- Access for **INSPECTIONS**
- Capability for **ANALYSIS**
- Responsibility for **EVALUATION**
- Authority to **RESOLVE ANOMALIES**
- Provisions for presenting verification findings to a designated body
- Conditions for bringing **SUSPICIONS** to the **UN SECURITY COUNCIL**

Verification under an FM(C)T -- a wide range of views exist

-  Former Military Production Facilities
-  Peaceful Nuclear Facilities and Stocks
-  Clandestine Production Facilities
-  Non-Explosive Military Applications
-  Excess Military Stocks

Verification under an FM(C)T:


Former Military Production Facilities 

- HEU Enrichment Plants
 - Plutonium Reprocessing Plants
 - Plutonium Production Reactors (?)
- ⇒ If shut down, monitoring simple and inexpensive. If in operation, costs and complexities increase, especially if sensitive operations / materials near by.

Verification under an FM(C)T: Peaceful Nuclear Facilities and Stocks

- Civil Reprocessing Plants
- Existing Pu Stocks (?)
- Enrichment Plants
- HEU Stocks (?)
- Conversion / fuel fabrication plants
- Reactors fueled with fissile material
- Other reactors
- Hot cells
- Waste conditioning plants & geological repositories (?)

Verification under an FM(C)T:

Clandestine Production Facilities 

- Undeclared Facilities
- Infrastructure – i.e., R&D, production capability similar to that covered under INFCIRC/540

Verification under an FM(C)T: Non-Explosive Military Applications

1. Stocks for Naval Reactor and Space Power reactor manufacturing (?)
2. Transparency measures for naval reactor fuel fabrication (managed access) (?)
3. Verification of working inventory and scrap (?)
4. Transparency on submarines (?)

Verification under an FM(C)T:

Alternatives for Excess Military Stocks

5. Proportional declaration of excess stocks
4. Verification of excess stocks; and
3. Voluntary submission of excess stocks with classified characteristics; and
2. Voluntary submission of excess military stocks in unclassified form; and
1. No provisions, or

Stocks

- Fissile material produced through peaceful nuclear activities
- Fissile material declared as excess to the defence requirements of a State
- Strategic reserves of fissile material maintained for military applications
- Working stocks of fissile material in military programs
- Fissile materials in deployed and stockpiled weapons and naval reactors

What types of inspections would be included?

- Routine, ad hoc inspections (declared activities)
- Complementary and managed access (unreported operations or clandestine facilities)
- Special inspections (suspicions arising from inspections or access)
- As in CTBT & CWC: challenge-type inspections?

Verification Methods, Applications and Costs: Examples

Verification Methods for Declared Facilities under FM(C)T

- Design information verification
- Material accountancy
- Containment/surveillance
- Environmental sampling (Note Security Concern)
- Remote monitoring
- Open-source & other info, satellite imagery

Declared Reprocessing Plants: Operational Categories



5. Full reprocessing operations -- may require continuous inspection presence
4. Non-reprocessing operations
3. Operational standby
2. Under decommissioning
1. Decommissioned or abandoned

Approximate Verification Costs for Reprocessing Plants

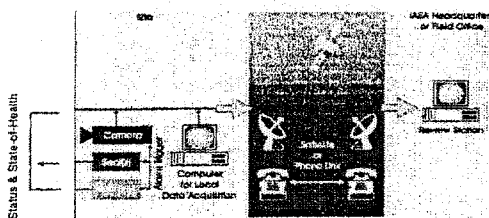
Plant Category	Number of Plants	Equipment Costs: All Plants/Cal.	Total Inspection Days/Year	Inspection Cost Per Year
1	8	0	8	\$60,000
2	12	\$280,000	54	380,000
3	2	\$2,400,000	40	290,000
4	12	\$3,000,000	360	2,800,000
5	13	19,000,000	6560	47,200,000
TOTALS	47	25,000,000	7022	50,000,000

Note that these estimates are intended to be indicative; the actual amounts depend upon a host of factors.

Questions for Verification of Reprocessing Plants

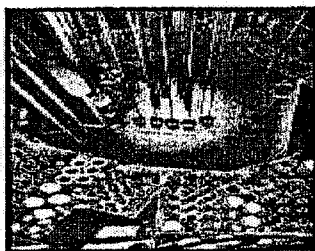
- Where would inspections begin? At the spent fuel storage pond? The Head-End? The Pu separation process?
- Would inspections follow the uranium stream?
- Would wastes be subject to inspection?
- The analytical laboratory?

One way to keep the costs down: Unattended & Remote Monitoring



Detecting Unreported / Clandestine Fissile Material Production

- Information reported by inspected State
- Information from Technical Cooperation
- Information provided by other States
- Open source information
- Satellite imagery
- Information collected by inspectors
- Environmental sampling (Security Concern)
- Inspector access (including managed access)

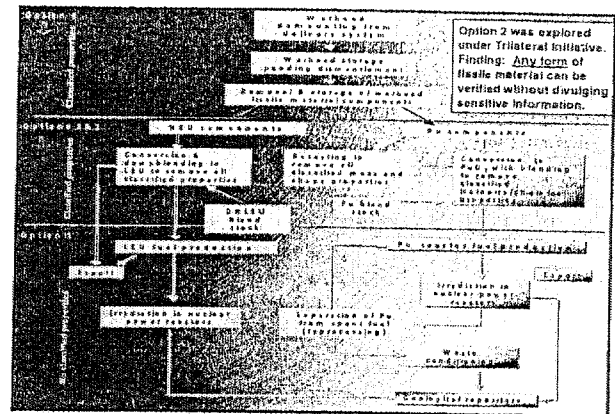


Undeclared Pu production might be accomplished by secretly inserting natural uranium in the core of a nuclear reactor subject to inspections.



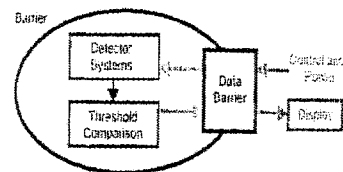
Commercial satellite imagery is used routinely in IAEA Safeguards – especially in preparation for complementary access visits.

Would excess military fissile material stocks be included in the FM(C)T? If so, when and how?



Fissile Material Released from Defence Programmes

1. Voluntary submittal of unclassified excess material blocks possible re-use
2. Verification of classified fissile material allows early submittal of much larger amounts (Trilateral Initiative)
3. Additional attributes could allow verification of weapon-heritage
4. Use of seals / perimeter monitoring could allow verification of dismantlement



Information Barriers developed under the Trilateral Initiative allow "attribute verification" measurements to be carried out on nuclear warhead components without divulging sensitive information.

Verification Challenges
(Depend on Scope of Treaty)

Verification Challenges

- Military security associated with nuclear weapon programs and naval reactor programs (whether or not excess military stocks covered)
- Dual-use Facilities
- New uranium enrichment plants, high density, zero emissions
- Work demand and ramping-up – what comes first, second, ...
- Convergence – what, when and how?

Given recent developments,
could the FM(C)T contribute to
preventing nuclear terrorism?

Prevention of Nuclear Terrorism under the FM(C)T:

- First line of defence: fissile material protection, control and accounting (MPC&A) – apply strict international standards
- Encourage adherence to the Convention on the Physical Protection of Nuclear Material
- Engage all FM(C)T States in common framework to enhance safety and security of fissile materials

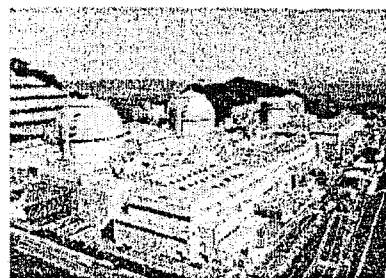
The FM(C)T and Nuclear Terrorism

- The FM(C)T could set requirements for standardized laws or regulations governing ownership, access and use of fissile materials and associated facilities.

Expanded nuclear power is
foreseen by some States as a
means to reduce global warming.
Should the FM(C)T guide the
future implementation of nuclear
energy for peaceful purposes?

Guiding Future Peaceful Applications of Nuclear Energy

- Proliferation resistance and physical protection principles for nuclear energy systems
- Balancing production and use: management of accumulations of fissile material stocks
- Transparency measures, e.g., “prudent and legitimate” reviews of plans for nuclear facilities



A nuclear power plant in Japan with four reactors

IAEA "INPRO" PROGRAM

- Invites IAEA Member States to join in development of innovative reactors, including proliferation-resistance features

Future Generation IV Nuclear Energy Systems will employ plutonium recycle

- Gas-Cooled Fast Reactor
- Molten Salt Reactor
- Sodium Cooled Reactor
- Lead Alloy-Cooled Reactor System
- Supercritical Water- Cooled Reactor
- Very High Temperature Reactor

FM(C)T: Verification by a new Organization or by the IAEA?

Potential conflicts / overlaps with IAEA safeguards would need to be identified and managed

- Responsibilities of FM(C)T Parties to IAEA under existing obligations
 - Duplicate inspections with different methods and criteria
 - Financing
- The resulting regime could have a "Hybrid" character

FM(C)T: Verification by IAEA

- If IAEA asked to develop verification system, Treaty itself could be short: a few pages of basic principles
- Verification could follow an IAEA model agreement, which could be approved by CD before the FM(C)T is concluded
- Extensive use of existing IAEA provisions would facilitate negotiation, minimize discriminatory status
- Implementation sooner, less expensive

FM(C)T / IAEA Agreements for full-scope safeguards States

- Require INFCIRC/153 comprehensive safeguards + full INFCIRC/540 protocol
- Additional requirements? FM(C)T Protocol ?
 - Challenge Inspections (If for the other States?)
 - ✓ Other fissile materials
 - ✓ Proliferation resistance / physical protection
 - ✓ Conference of States Parties

Option 1: FM(C)T / IAEA Agreements for the (8) States having fissile material not subject to IAEA safeguards

- Full provisions of INFCIRC/153 + 540, plus
- FM(C)T Protocol requirements: As for full-scope safeguards States, plus
- provisions for suspended implementation of some of the 153/540 provisions on materials / facilities subject to national security;
- provisions for phasing out suspensions

Option 2: FM(C)T / IAEA Agreements for the (8) States having fissile material not subject to IAEA safeguards

- New verification agreement adopting relevant provisions of INFCIRC/153 + 540, plus
- FM(C)T Protocol requirements: As for full-scope safeguards States

FM(C)T: Option 1: Verification by New Organization (Not IAEA)

- A discriminatory regime could be created vis à vis NNWS
- Arrangement could undermine NPT safeguards system
- Could lead to duplicate inspections in facilities subject to IAEA safeguards in eight States (also in NNWS?)
- Expensive: new organization requires infrastructure, support
- Extended, complex CD negotiation

Verification Costs

Costs: Depend on:

- decisions to be made by CD and
- information to be provided by States on facilities that would be subject to inspection
- future status of facilities and ramping up priorities

Figure about the same as for IAEA safeguards in non-nuclear weapon States – on the order of \$100M per year

The idea of an FM(C)T is old.
Could negotiations begin now?

Could contemporary events make it possible to complete the FM(C)T?

- Most of the eight States have apparently stopped and the others might soon be ready to stop production of fissile materials
- Russia and the United States already have a bilateral "Plutonium Production Reactor Agreement" which stops Pu production in the two States and includes reciprocal inspections

Contemporary events ...

- G8 Global Partnership against the spread of weapons and materials of mass destruction
- Cuba announced it will sign NPT and ratify Tlatelolco. It will accept a comprehensive IAEA safeguards agreement, leaving only China, France, India, Israel, Pakistan, Russia, the United Kingdom and the United States with unsafeguarded fissile material
- Progress towards G8 financing of Russian disposition of nuclear weapon plutonium

Contemporary events ...

- The Trilateral Initiative conclusion: concepts and technologies developed could allow for IAEA verification of any form of weapon-origin fissile material without divulging sensitive information
- Progress to strengthen and extend the Convention on the Physical Protection of Nuclear Material

Contemporary events ...

- Global warming and increasing reliance on nuclear power, including "proliferation-resistance and physical protection" features comprising technical, institutional and verification measures
- Generation IV International R&D on six advanced nuclear energy systems, with Pu

The FM(C)T could:

- Be a significant step towards nuclear disarmament, facilitating further steps
- Prevent future nuclear arms race and encourage progress towards disarmament
- Reinforce NNWS commitments, preserve integrity/durability of non-proliferation regime
- Rationalize nuclear commerce
- Reduce risks of proliferation & nuclear terrorism

Biographical Information

Thomas E. Shea, PhD

Thomas E. Shea is Head of the Trilateral Initiative Office in the Department of Safeguards at the International Atomic Energy Agency, responsible for program development and implementation activities associated with a possible new verification role for the IAEA: weapon-origin and other fissile material released from military applications.

Tom Shea is an American. He was awarded a Special Fellowship from the United States Atomic Energy Commission, and received his Master of Science in Nuclear Engineering and his Doctor of Philosophy in Nuclear Science from Rensselaer Polytechnic Institute.

During his 22 years at the International Atomic Energy Agency, he helped to establish the basic safeguards implementation parameters and defined safeguards approaches for many complex nuclear facilities. He headed a section of inspectors for 11 years, and was responsible for safeguards implementation in Japan, India, Taiwan, Australia, and Indonesia. He established the Project Office for the JNFL Rokkasho Reprocessing Facility, and successfully headed a Tripartite Project with the Russian Federation and the People's Republic of China, regarding safeguards at centrifuge enrichment plants equipped with Russian centrifuges.

For over 20 years, Shea has held a deep interest in establishing international verification measures related to nuclear disarmament. He was named to a UN Security Council Panel on disarmament in Iraq, carried out an IAEA investigation of the technical requirements for the verification of the Comprehensive Nuclear Test Ban Treaty, and headed the IAEA Secretariat Working Group on the verification of a fissile material production cut-off treaty.

Shea has taken an active role in IAEA activities related to proliferation-resistant reactors, in both the U.S. Generation IV program, and the IAEA International Innovative Reactors Project.

Shea is a Fellow of the Institute of Nuclear Materials Management.

He retired from the IAEA at the end of January 2002, and since then has been a consultant to the US Department of Energy Pacific Northwest National Laboratory, working as an expert in the IAEA, continuing his earlier duties.