Statement by

Dr. Andrew K. Semmel

Alternative Representative of the United States of America

To the Second Session of the Preparatory Committee

For the 2005 NPT Review Conference

Peaceful Nuclear Cooperation

NPT Article IV

Geneva, Switzerland

May 7, 2003

Check against delivery
The United States is strongly committed to the goals of Article IV. Through both multilateral and bilateral programs we seek to promote the numerous beneficial peaceful applications of nuclear techniques. One of the most important avenues for peaceful nuclear development is the Technical Cooperation Program of the International Atomic Energy Agency (IAEA).

**IAEA Technical Cooperation**

For the past decade the Technical Cooperation Program of the IAEA has focussed increasingly on matching nuclear techniques to the development needs of its Member States. The United States has worked closely with the IAEA Secretariat and other Member States to establish a program of sustainable development activities building on established and emerging nuclear techniques. We place high priority on maximizing the effective and timely delivery of technical cooperation. Toward that end, we support IAEA's work to strengthen the design of technical cooperation projects, improve the delivery of assistance, and match assistance to the genuine needs of recipients.

The U.S. provides substantial financial and technical support to many IAEA technical cooperation initiatives. We are the single largest donor to the Technical Cooperation Program, providing over twenty-five percent of its funding. In the last two years, we have contributed an additional $1.7 million to IAEA's work on the so-called "Sterile Insect Technique" in Africa, Latin America, and the Mediterranean. We have also assisted IAEA's work in landmine detection in Europe, water resource improvements in Latin America, and rinderpest eradication in Africa, thereby improving food security in rural African economies.

**U.S. Bilateral Cooperation**

Complementing our work with the IAEA, the U.S. also engages in numerous bilateral cooperative activities around the world. We currently have twenty-five bilateral agreements for peaceful nuclear cooperation with individual states and Euratom -- bringing our cooperation partners to forty NPT Parties in all. These agreements provide the necessary legal basis for our peaceful nuclear cooperation with other states. They promote the transfer of significant civil nuclear material, equipment and components under appropriate nonproliferation conditions and controls. Through the U.S. Agreement for Peaceful Nuclear
Cooperation with the IAEA, we carry out similar cooperation activities with a number of other States Parties to the NPT.

Many countries can trace the origins of their peaceful nuclear programs to equipment, material, and technology supplied by the United States under Article IV of the NPT. Much cooperation takes place pursuant to commercial arrangements. Last year alone, our Nuclear Regulatory Commission licensed U.S. companies to transfer equipment, material and components to seventeen countries, all NPT parties in good standing.

A major focus of our Article IV efforts has long been the creation and support of effective nuclear safety infrastructures in recipient countries. Various U.S. government agencies work closely with the IAEA and its Member States to operate scores of safety projects worldwide. In the realm of emergency response, for example, our Department of Energy provides advice to states and international organizations to ensure that nuclear emergency planning meets international standards and provides all necessary protection to workers, the public, and the environment.

Similarly, the U.S. has worked with our Asian colleagues to promote the Asian Extrabudgetary Program, which is improving the safety of nuclear installations in China, Malaysia, Indonesia, Thailand, Philippines, and Vietnam. We have funded projects on reactor accident analysis, assistance in anti-corrosion cracking efforts, and the safety of life extension and decommissioning of reactors. We have also participated in "train-the-trainer" workshops in radiation and waste safety. Ensuring that all national nuclear programs possess a strong foundation of sound nuclear safety principles is an enduring U.S. priority.

Our Nuclear Regulatory Commission also participates in information exchange and cooperative safety research programs with thirty-three other countries. These programs provide communication channels for use in the event of problems at U.S. or other nuclear power plants. They encourage the identification of possible precursor events warranting further investigation. They also encourage interaction among states that are improving their regulatory infrastructures, and represent building blocks for bilateral cooperation on a variety of other safety and security issues.

Adequate national and international liability regimes are also necessary for peaceful nuclear cooperation. We urge all states to sign the Convention on Supplementary Compensation for
Nuclear Damage (CSC). This Convention will help establish a global regime to facilitate peaceful nuclear commerce and assure that resources will be available to help compensate victims in the event of a nuclear incident.

The safe transportation of radioactive materials has always been an important priority. The U.S. has worked closely with the IAEA, the International Maritime Organization (IMO) and other international organizations to ensure that a strong international regime with rigorous standards governs such transport. We look forward to the upcoming International Conference on Safety of Transport of Radioactive Materials in Vienna this July. The Conference will be an excellent forum for experts to conduct a technical discussion of current transport safety standards.

Cooperation and Responsibility

Article IV of the NPT provides for the "inalienable right" of all Parties to develop nuclear energy for peaceful purposes. This right is grounded firmly by the Treaty in the clear understanding that such development must be in conformity with the nonproliferation undertakings of Articles I and II. Thus, Article IV does not stand alone or in isolation. The inalienable right to develop nuclear energy is not an entitlement but rather flows from demonstrable and verifiable compliance with Articles I, II and III of the Treaty.

Every NPT Review Conference has explicitly noted the link between peaceful nuclear cooperation and the nonproliferation goals of the NPT. These two pillars of the NPT are closely joined and should be. Fulfillment of nuclear nonproliferation norms and behavior not only is a prerequisite for peaceful nuclear cooperation but also is the paramount concern of the Treaty regime. All of our previous statements have made it clear that our concerns regarding compliance with nonproliferation norms have intensified and deepened. They are central to our views on making the NPT work effectively.

No one could seriously maintain that a country not complying with its NPT nonproliferation obligations should nonetheless have a "right" to benefit from nuclear cooperation. No such unconditional right exists. Regrettably a few NPT parties have clearly abused the Treaty by maintaining the facade of a peaceful nuclear program while secretly acquiring capabilities to produce nuclear weapons. Iraq obtained peaceful
nuclear assistance up to the time of the 1990 Gulf War. North Korea built nuclear facilities it claimed were for peaceful energy needs, but which were, as we all know, clearly designed for a nuclear weapons program. In the past year, while constantly professing "transparency," Iran surprised the world with the suddenly-disclosed advanced nature of its nuclear fuel cycle program. This includes facilities with direct application to the production of fissile material for nuclear weapons. The IAEA is now scrutinizing those facilities. In light of the serious unresolved issues posed by Iran's nuclear program, we strongly disagree with Iran's assertion that it has an inherent "right" under Article IV to its program or to receive foreign assistance or cooperation with it.

In all three cases, -- Iraq, North Korea and Iran -- NPT parties used apparent compliance with the Treaty to present a peaceful public image. That image and the claimed "right" to a peaceful nuclear program were used to mask access to foreign help in building fissile material production facilities that could support a nuclear weapons capability. In all three cases, the secret programs have been exposed. But for many years, each of these countries was able to use its status as an NPT member "in good standing" to divert attention from its real motivations and to facilitate foreign nuclear assistance.

Responsible NPT parties must not accept such practices. Abuse of the NPT undermines confidence in the Treaty as an effective framework for peaceful nuclear cooperation. It undermines all of our interests. It can lead to enormous losses to development and electricity needs currently met by nuclear power. At the same time, the ability of states to gain peaceful nuclear benefits in the face of legitimate concerns about violations of their NPT obligations devalues the Treaty for the vast majority of parties that honor their Treaty obligations.

All NPT parties in good standing need to reinforce the fundamental principle that Article IV benefits are extended only to NPT parties that are clearly in compliance with Articles I, II, and III. Supplier states must forego assistance to states with suspect nuclear programs until the suspicions are resolved. The mere claim of peaceful intent is not sufficient. We all know that IAEA safeguards can never be an absolute guarantee, but states -- especially those with ambitious nuclear programs -- must back up their claims of peaceful intent and "transparency" by fully implementing the IAEA's Strengthened Safeguards Additional Protocol.
Nuclear supplier states recognized over twenty five years ago the sensitivity of enrichment and reprocessing facilities. The first public version of the Nuclear Suppliers Group (NSG) Guidelines urged restraint in the transfer of technology for such facilities, even if they were under IAEA safeguards. The NSG also recommended that when supplying such technology or facilities, full transparency should be incorporated through IAEA or other international involvement in order to eliminate possible misuse. The Guidelines also urged consultations on sensitive cases to ensure a proposed transfer would not contribute to risks of conflict or instability.

These provisions were the direct result of a judgement that enrichment or reprocessing facilities presented a serious proliferation risk, given their direct application to producing fissile material for nuclear weapons. In states where such facilities have dubious economic justification, where nonproliferation credentials are suspect, where covert procurement techniques are used, and especially where IAEA inspections or other disclosures reveal attempts to keep sensitive technology programs secret, the pursuit of enrichment or reprocessing capability sends a strong signal that a state may be seeking nuclear weapons. All responsible NPT parties should recognize the danger inherent in such states possessing the means to produce nuclear weapons material. The DPRK recently illustrated the case for us all.

The unpredictability of the international security environment stands as a stark reminder of the critical need for a strong NPT regime now, and in the future. Article IV is a vital part of a viable NPT regime that the U.S. has actively supported for more than three decades. But Article IV does not exist in a vacuum. To make the NPT's benefits a reality, we must work together to insist that all states fully meet their fundamental obligations under the Treaty.

Thank you Mr. Chairman.