Mr Chairman

Australia has distributed a working paper on Cluster Three issues, and a paper on Australia’s commitment to Article Four of the Treaty. In view of time constraints, I will highlight some of the main points from these papers.

Australia’s Peaceful Nuclear Activities

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.

Australia has a significant nuclear science and technology base, including that associated with the “Open Pool Australian Light-water” (OPAL) research reactor, officially opened by the Australian Prime Minister Mr Howard on 20 April.

OPAL will be one of the world’s leading facilities for nuclear applications.
We look forward to developing collaborative research programs with regional partners utilising OPAL’s neutron beam instruments.

On 28 April Mr Howard announced a strategy on the future development of uranium mining, on Australian uranium exports and on a possible expansion of the nuclear industry.

On the issue of nuclear power and possible further development of the nuclear fuel cycle in Australia, no decisions have been taken.

Any actions Australia takes will naturally be open and transparent, and fully consistent with Australia’s NPT and other international obligations.

International Cooperation and the IAEA

The 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 extra-budgetary funding to the Regional Cooperative Agreement (RCA) for Asia and the Pacific.

The RCA is an excellent example of the benefits which peaceful nuclear cooperation can generate.

Australia has contributed to three recent RCA projects to improve regional radiological safety capabilities;

We are also supporting an RCA project using nuclear forensics tools to combat air pollution, and the RCA has introduced and transferred sophisticated technologies to Asia-Pacific countries to monitor air particulate matter.

And an RCA project providing distance education to Asia-Pacific nuclear medicine
technologists has developed training materials which will also be used elsewhere.

**Nuclear Safety and Security**

Australia's contributions to the IAEA Nuclear Security Fund illustrate the importance we attach to properly controlling and protecting nuclear and radioactive materials.

We will speak in the special time session on the importance of addressing nuclear terrorism threats.

A key factor underpinning peaceful nuclear cooperation is confidence in States' adherence to internationally accepted nuclear safety and security standards, 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 Radioactive Waste, 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.

We welcome and endorse the standards embodied in these measures.

Almost all States have some form of radioactive waste to manage, and we urge States that have not yet become party to the Joint Convention.

We are pleased that all States operating nuclear power reactors are now party to the Convention on Nuclear Safety, and urge all States constructing or planning nuclear power reactors to adhere to that Convention.

We are also pleased to support the goals of the Asian Nuclear Safety Network, and currently to chair its Steering Committee.

We welcomed adoption of the amendment to the Convention on the Physical Protection of Nuclear Material, and expect to ratify the amendment soon.
Nuclear Trade

The Nuclear Suppliers Group and Zangger Committee have developed harmonised export controls to facilitate trade and cooperation, while minimising proliferation risks.

All States should ensure their nuclear export controls are at least equivalent to the major export control regimes, and are strictly enforced.

Supply arrangements should also take into account the evolution of the IAEA safeguards system, notably strengthened safeguards.

In this regard, Australia has made an Additional Protocol a condition for supplying Australian uranium to non-nuclear-weapon states.

Transport of Nuclear and Radioactive Materials

Australia welcomes the IAEA addressing the issue of denial of shipment of radioactive materials, and encourages the Agency to continue its work.

We also welcome progress made on 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.

In Australia's region, South Pacific countries are concerned about the maritime transport of radioactive materials.

Radioactive materials having been shipped 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 safety.

As a member of the Forum, Australia will continue to encourage, and participate in,
discussions to explore ways to address particular concerns of regional states.

**Sensitive Nuclear Technologies**

Enrichment and reprocessing are usable both for peaceful purposes and for the production of fissile material for nuclear weapons.

The prospect of states misusing the NPT’s peaceful uses provisions to acquire the technical basis for “break-out” to nuclear weapons, as well as regional arms races, clandestine nuclear procurement networks, increased problems with compliance, and the avowed interest of terrorists in acquiring WMD, has contributed to the current exploration of possible new approaches to the nuclear fuel cycle.

A well functioning international market provides an effective assurance of nuclear fuel supply.

But we are open to exploring whether enhanced assurances for those choosing nuclear power might further reduce incentives to seek their own enrichment and reprocessing capabilities, and thereby reduce risks.

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 credentials and clear economic or fuel cycle justification.