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

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**Perspectives on issues related to cluster three: conversion of
nuclear materials to peaceful uses****Working paper submitted by Australia**

1. Australia has a long record of demonstrating strong support for the objective of the 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 the OPAL research reactor, officially opened by Prime Minister Howard on 29 April 2007. OPAL will be one of the world's leading facilities for nuclear applications in medicine, 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 include a number of actions that can be taken immediately, including removing unnecessary constraints impeding the expansion of uranium mining in Australia and reaffirming our commitment to Australia's participation in the Generation IV advanced reactor research programme. On the issue of nuclear power and possible development of the nuclear fuel cycle in Australia, no decisions have been made. Rather, the Australian Government will develop a number of major actions, including mapping out a way forward for an appropriate nuclear regulatory regime, identifying required skills and technical training, to support a possible expanded nuclear 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 Pacific Regional Cooperative Agreement for Research, Development and Training, as well as to Nuclear Science and Technology.



5. NPT parties that comply faithfully with the Treaty's non-proliferation obligations have every right to benefit from peaceful nuclear energy in accordance 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 and isolates itself from the benefits of NPT adherence, including cooperation in peaceful uses of nuclear energy, until it returns to full compliance. Moreover, whether development of uranium enrichment and reprocessing is consistent with NPT's non-proliferation objectives depends on many factors, including a State's non-proliferation credentials and clear economic or nuclear fuel cycle justifications.

6. Effective national controls over the production and export of nuclear 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 trade and cooperation, export controls foster the necessary environment for long-term assurance and stability necessary for peaceful nuclear cooperation.

7. The Nuclear Suppliers Group and Zangger Committee have established 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. States should ensure that their nuclear export controls are of a standard equivalent to the major nuclear export control regimes and that they are effectively enforced. Supply arrangements should also take into account the evolution of the IAEA's safeguards system, notably the strengthened safeguards system. Australia has made an Additional Protocol a condition for supplying Australian nuclear technology to non-nuclear-weapon States.

8. Another key factor is the adherence of States to internationally agreed 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 Safeguards Convention, the Convention on the Early Notification and Assistance concerning Spent Fuel and Radioactive Waste Management, the Early Notification and Assistance Convention, the Code of Conduct on the Safety and Security of Radioactive Sources, the Code of Conduct on the Safety of Research Reactors. Australia welcomes the initiative that has been started by the Safety Standards Commission to review the structure of the IAEA's safety standards. We supported adoption of the IAEA's 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, strengthened 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 adhere to it 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 the amendment. Australia also welcomed conclusion of the Convention on the Suppression of Acts of Nuclear Terrorism in 2005, and was among the first to ratify it. Our contributions to the IAEA Nuclear Security Fund and the Group of Eight's Global Partnership against the Spread of Weapons and Materials of Mass Destruction illustrate the importance Australia attaches to ensuring that the

nuclear terrorism never becomes a reality. Australia is a partner in the Proliferation Security Initiative to Combat Nuclear Terrorism, which aims to prevent terrorists from acquiring, possessing, or using nuclear materials or radioactive substances, or taking hostile action 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 an important 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 those that have not yet become party to the Joint Convention on Spent Nuclear Fuel and Radioactive Waste to do so. We are particularly pleased that all States with operating nuclear power reactors are now party to the Convention on Nuclear Safety, and all States currently constructing or planning nuclear power reactors to become party to the Convention without delay. Australia is pleased to support the goals of the Convention, the Nuclear Safety Network, and currently to chair its Steering Committee, and other important safety developments. Australia welcomes adoption by all States of the Code of Conduct on the Safety of Research Reactors, endorses the guidance on 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 to work with States with a view to resolving this problem for all radioactive materials in accordance with required safety regulations. We welcome progress made in addressing this problem in conjunction with the International Federation of Air Line Pilots' Association 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 impact of the transport of radioactive materials through their region. Shipping States can ensure that 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 use 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, have all contributed to the current exploration of possible new approaches to the nuclear fuel cycle.

15. A well-functioning international market provides an effective and secure nuclear fuel supply. At the same time, we are open to exploring what assurances for those parties choosing the nuclear power option might be, incentives to seek their own enrichment and reprocessing capabilities, and reduce risks. Multilateral approaches regarding the nuclear fuel cycle are complementary to the primary non-proliferation instruments of effective, universal implementation of IAEA safeguards, including the Additional Protocol and effective export controls, and should aim to satisfy international obligations 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 security remains central to the climate of confidence and trust essential for cooperation in the peaceful uses of nuclear energy.
