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Second Session of the Preparatory Committee to the 8th Review  
Conference of the Treaty on the Non-Proliferation of Nuclear  
Weapons

STATEMENT BY

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Geneva, April 2008

Mr Chairman,

I would like to congratulate you on your appointment as Chair of this Preparatory Committee I assure you of Austria's full support in your efforts throughout this meeting. This delegation hopes that the second session of the Preparatory Committee will provide a forum for a fruitful and substantive discussion and will help to build on the foundations laid in Vienna for a successful Review Cycle.

In associating itself with the statement made by the EU-Presidency (Slovenia), Austria wishes to additionally share with Member States the following thoughts:

On July 1 we will celebrate the 40<sup>th</sup> Anniversary of the NPT which constitutes a main pillar of the international non-proliferation and disarmament architecture, and indeed a major building block for the maintenance of international peace and security.

This second NPT-PrepCom comes at a critical time. The world is witnessing a renaissance in the interest in nuclear energy, while at the same time, the risk of misuse of nuclear technology is growing:

- there are still thousands of nuclear warheads and ballistic missiles with prompt launch capability;
- terrorists are seeking nuclear weapons and will use them if they can;
- nuclear weapon-useable material is said to be available in more than 40 countries, in some cases very badly secured; and
- with the growing interest in nuclear technology, countries developing enrichment capability can move quickly to a weapon programs if they choose to do so.

We are at a crossroads. Should we miss the opportunity to overcome the divergences which have paralyzed the Non-Proliferation regime since the NPT Review Conference 2005 and fail to strengthen the NPT over this review cycle, then we might have to face being accountable of having missed the last chance to create a fair and safe system to control the risks and dangers surrounding nuclear energy. Let us not live in the illusion that anyone or any place on earth will be outside the range of the nuclear threat.

Austria over the past years has contributed to strengthening the instruments of our current nuclear non-proliferation architecture. We have some crucially important instruments at our disposal: especially the NPT, the IAEA, the CTBT, export control regimes, SC-Res 1540, and in the area of confidence building measures, the Hague Code of Conduct (HCoC). But we need a comprehensive framework which provides the necessary safety and security for the next generations. We believe such a framework, a grand scheme is not only necessary, it is also achievable. But it will require that we progress in parallel on various areas.

## **1. Nuclear Disarmament**

Austria strongly supports the goal of a world without nuclear weapons. Recently several political leaders from NWS have spoken out and supported that goal as well. We are heartened by that call. We hope that it is being heard and acted upon.

In fact, the "*unequivocal undertaking by the nuclear-weapon States to accomplish the total elimination of their nuclear arsenals*" forms part of the NPT-acquis. Especially over the last year,

we have taken note of various efforts in this respect. We commend every one of them. But they cannot absolve the NWS from continuing further efforts.

## 2. CTBT

The entry into force of the Comprehensive Nuclear Test Ban Treaty is long overdue. Last year, Austria jointly with Costa Rica assumed the Presidency of the Conference on Facilitating the Entry into Force of the CTBT (Art. XIV-Conference). In this capacity we continue raising awareness about the CTBT and the scientific civil applications of its International Monitoring System such as the tsunami early-warning-system.

We hope that a better understanding of the overall benefits of the CTBT will help speed up the ratification process and its entry into force. To that end Austria sponsored several CTBTO Workshops, such as for Caribbean and Pacific States. We warmly welcome the recent ratifications by Barbados, Columbia and Malaysia which indicate that there is currently a positive dynamic. We call on all states that have not yet done so to sign and ratify the CTBT without further delay.

## 3. IAEA

If to the present day we have not yet reached the mid-1960s' prediction of a world of 15 or more nuclear-weapon states, this has been achieved thanks to the untiring verification efforts of the International Atomic Energy Agency.

This year we will begin discussing the future role of the Agency. DG ElBaradei has provided us with an inspiring report on the challenges ahead and on the needs of his organization. The Eminent Persons Group, which included the former Austrian Chancellor Wolfgang Schuessel, will deliver its Report later this spring. It will then be up to us to decide how we fit the Agency into the global nuclear framework.

Austria will support all efforts aimed at strengthening the safeguards system and at making the IAEA fit for the challenges in the area of nuclear safety, security, and non-proliferation in the future.

## 4. HCOC

The threat posed by weapons of mass destruction rises exponentially with the development of advanced delivery systems. Until we have successfully established a multilateral missile control arrangement within the United Nations, the "Hague Code of Conduct against Ballistic Missile Proliferation" of 2002 serves as the only normative multilateral instrument for verification against the proliferation of ballistic missiles.

Austria serves as the Executive Secretariat of the Code. We have hosted 6 Meetings of the Subscribing States. More than two-thirds of UN member states subscribed to the Code as called for by UN General Assembly Resolution 60/62 and I hope that more will join. It is paramount, however, that all Subscribing States demonstrate their commitment and contribute positively to all aspects of this confidence building instrument. I call especially on the United States and Russia to demonstrate leadership in this regard.

## 5. FMCT

A treaty effectively banning weapon-grade fissile material would be a necessary building block of the framework needed to ensure the safety and security for future generations. Together with our partners from the European Union, we have repeatedly expressed that the commencement of negotiations on an FMCT in the Conference on Disarmament constitutes a clear priority for us. In our view such a treaty should incorporate clear provisions on effective international verification, as this would be necessary to establish and enhance the trust in the reliability and workability of such a treaty.

## 6. NFC

Irrespective of the need for these and other security instruments, we need new thinking and bold and far-reaching decisions in order to achieve our goal of a comprehensive nuclear framework. This also means that the possible dangers associated with the use of nuclear technology must be addressed. In Austria's view, the dangers related to nuclear technology cannot be ignored for the sake of short-sighted focus on national economic interest, fears of limitation of state sovereignty or loss of control over a key technology sector.

At the last PrepCom in Vienna, Austrian Foreign Minister Ursula Plassnik offered food for thought for revisiting the debate on the multilateralization of the nuclear fuel cycle. We believe that it is time to design a framework suited to the nuclear realities of the 21<sup>st</sup> century which restricts the most dangerous technologies, enrichment and reprocessing, exclusively to facilities under multilateral control. These limitations would need to be accompanied by proper rules of transparency and by an assurance that legitimate users could get the supply of fuel they need.

In the last couple of years there has been considerable interest in the idea of creating such a new framework. The IAEA and several States, especially suppliers, have proposed a variety of interesting approaches, some focusing on the establishment of facilities under international control, others on guarantee-mechanisms to assure the supply of nuclear fuel. Yesterday we heard the statement of the Russian Delegation which has made a concrete proposal of a multinational facility. Germany has suggested the creation of a new multilateral enrichment facility in the developing world. And there are many other ideas.

Austria believes an initial step could be to entrust the IAEA to serve as a virtual broker for all transactions in the civilian nuclear fuel cycle. Every buyer – even if located next door to the seller must buy fuel through the IAEA. This would provide immediate transparency about who buys what. This would hopefully contribute to more trust and confidence among nations. Gradually, the transparency would be supplemented with control rights of the agency over the sensitive technology users, in particular enrichment and reprocessing facilities.

In the long term, increasing these control rights should transform all enrichment and reprocessing facilities from national to essentially multilateral operations under the auspices of the IAEA. New facilities would, right from the beginning, be multilateral IAEA-controlled operations.

It is important to point out that the companies operating the facilities would continue to run the facilities and continue to reap the profits. They would remain the sole proprietors of their technology. The IAEA would monitor operations and to ensure that buyers fulfill non-proliferation requirements – essentially tasks currently exercised by states. But through the IAEA we would be doing that job, monitoring and verification, together.

It is equally important to point out that multilateralization would not in any way undermine or prevent access to the peaceful use of nuclear energy. All States fully maintain their NPT-rights, also under Article IV of the NPT. But having a right also gives the owner the freedom of choice how to use that right. And one can decide to use it exclusively together with other states or through an international organisation. By entrusting the IAEA to control the facilities, we would make joint use of our right and benefit from the peaceful use of nuclear technology together in a safe, fair and equal manner.

We believe that our proposal establishes an international system that is fair and treats all states equal. All states agree not to operate enrichment and reprocessing facilities individually and all existing facilities would be transferred into multilateral ones under the control and supervision of the IAEA.

We believe this model would provide huge advantages – in safety, security, non-proliferation and in cost – to everyone. Control by the IAEA means fair and reliable distribution of nuclear fuel to those that have chosen nuclear energy. A joint facility places all participants under more scrutiny which strengthens security. New facilities would only have to be built for economic reasons, not for reasons of strategic politics or national pride. As a consequence there would be fewer facilities – just as many as the market requires. Having fewer sites to watch means, in turn, that the IAEA is in a position to monitor more carefully.

I am well aware that this is an ambitious proposal. But if we are really at the beginning of a renaissance of nuclear energy, as many experts tell us, we have to act now. And ambitious it may seem, the proposal is not new. It has been done before, albeit on a regional level. Over fifty years ago, the founding members of today's European Union placed potentially dangerous substances and technologies – coal, steel and nuclear technology - under the control of joint, multilateral institutions. It seems appropriate to take up these ideas that have convincingly proven their value and promote a multilateralization of the nuclear fuel cycle.

We believe this system could be at the core of the new framework for international security, which would also include the IAEA's Additional Protocol as the safeguards standard, an FMCT and a CTBT in force, and an NPT, strengthened and with universal membership.

Mr Chairman,

Over the past years, in finding excuses for the lack of progress in global disarmament and non-proliferation alike we have often resorted to pointing at others and giving good advice about what others should do.

This will lead us nowhere.

As US-Senator Sam Nunn, one of the spearheads of the new nuclear disarmament movement put it recently, "*we are in a race between cooperation and catastrophe.*" In view of these choices, the only real option we have is to work together towards a more secure future and, as a first step in that direction, towards a successful outcome of the NPT Review Conference 2010.

Thank you.