

## Information Circular

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**General Distribution**

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### Communication dated 13 March 2009 received from the Resident Representative of the Russian Federation to the IAEA on the Russian initiative to establish a guaranteed reserve of low enriched uranium

1. The Secretariat has received a communication dated 13 March 2009 from the Resident Representative of the Russian Federation, forwarding a statement delivered on 5 March 2009 by the Governor for the Russian Federation on the Board of Governors, Ambassador G.V. Berdennikov concerning the Russian initiative to establish a guaranteed reserve of low enriched uranium.
2. As requested in that communication, the statement is circulated herewith for the information of Member States.

**Statement of the representative of the Russian Federation on the IAEA Board of Governors,  
Ambassador G.V. Berdennikov, delivered on 5 March 2009, under item 8 of the agenda for the  
Board's meetings, "Any other business"**

**On the establishment of a guaranteed reserve of low enriched uranium**

Madam Chairperson,

I would like to thank the Director General for his remarks in his introductory statement on the proposal by Russia to establish a reserve of low enriched uranium on Russian territory.

I would like to refer to document GOV/INF/2009/1, dated 23 February 2009, which was circulated at the request of the Resident Representative of Russia to the international organizations in Vienna and is entitled Development of the Russian Federation Initiative to Establish a Reserve of Low Enriched Uranium (LEU) for the Supply of LEU to the IAEA for its Member States. I have the honour to bring this document to the attention of the Board of Governors.

Firstly, I wish to note that the Russian proposal contained in this document is based on Article IX of the Statute of the IAEA.

In view of the growing interest in nuclear power in the world, and in support of the initiative of the Director General of the IAEA, Mr M. ElBaradei, on multilateral approaches, Russia has decided to establish on its territory and under the auspices of the Agency a guaranteed reserve of low enriched uranium (LEU) in the amount of 120 t. This will be sufficient to manufacture two full fuel loads for the most common type of pressurized water reactor in the world with a capacity of 1000 MW. An LEU reserve of this kind will ensure reliable supplies of fuel for nuclear power plants when the market cannot do so.

In developing our proposal to establish a guaranteed LEU reserve, we worked on the following assumptions.

The main guarantee of reliable nuclear fuel supplies is a properly functioning market where both suppliers and consumers comply with their obligations under commercial contracts. The guaranteed reserve is intended for the provision of nuclear fuel to consumers in circumstances where they have encountered insuperable difficulties of a political nature in obtaining LEU.

Nuclear material from the guaranteed reserve should be available to any IAEA Member State that meets its non-proliferation obligations and has placed all its peaceful nuclear activities under IAEA safeguards.

The rights of IAEA Member States, including to develop their own production capacity in the nuclear fuel cycle, will not be contravened or infringed. In other words, having the right to receive LEU from the guaranteed reserve will not mean having to relinquish the right to establish and develop one's own fuel cycle. We are not suggesting such a condition.

IAEA budget expenditure or additional contributions from Agency Member States will not be required. The Russian Federation will bear all the costs associated with the production of the LEU reserve, its storage and maintenance, application of Agency safeguards, etc. Any country receiving material will pay only the cost of the material supplied to it in accordance with current market rates. The guaranteed reserve will not undermine the existing LEU market.

The supply mechanism of the guaranteed reserve will be triggered by a decision of the IAEA Director General and LEU will be supplied at his request without delay. There will be no discussion of each individual shipment in the Board of Governors. The Director General will act on the basis of a prior

decision which covers all possible recipients. Neither Russia nor any other State will influence his decision *regarding supply*.

These assumptions, we believe, are in accordance with the principles for establishing a nuclear fuel bank under IAEA auspices set forth in the introductory statement of the Director General, which we fully support and share. We have also listened carefully to the statement of the Group of 77 and China, which was supported by the Non-Aligned Movement, and which poses no difficulties for us and does not run counter to our approach.

I also wish to underline that the Russian proposal does not conflict with other known initiatives and is by no means in competition with them. In that context, I would like to note the NTI initiative to establish an LEU reserve under IAEA control, the relevant proposal made by Germany, and others.

With regard to the mechanism for implementing the Russian initiative, the creation and use of the guaranteed reserved must be regulated, as is indicated in our document, via two agreements: one between Russia and the Agency on the provision of an LEU reserve in accordance with Article IX of the IAEA Statute; and the second, a model agreement between the IAEA and a potential recipient country of the LEU.

We intend to continue to work in close consultation with the IAEA Secretariat and the Agency's Member States, and we propose to develop and submit for consideration by the Board of Governors substantive proposals in this regard.

Thank you, Madam Chairperson.