

Information Circular

INFCIRC/776

Date: 23 November 2009

General Distribution

Original: English

Communication from the Permanent Missions of the Russian Federation and the United States of America regarding a Joint Statement on Multilateral Nuclear Fuel Assurances

The Secretariat has received a communication dated 23 November 2009 from the Permanent Missions of the Russian Federation and the United States of America, transmitting the text of the Joint Statement by the Deputy Minister of Foreign Affairs of the Russian Federation and the Under Secretary of State for Arms Control and International Security of the United States of America on multilateral nuclear fuel assurances.

As requested in that communication, the above mentioned statement is herewith circulated for the information of all Member States.

<u>Joint Statement</u> <u>Sergey Ryabkov, Deputy Minister of Foreign Affairs, Russian Federation</u> <u>and</u>

Ellen Tauscher, Under Secretary of State for Arms Control and International Security, United States of America

To meet demands for economic growth and energy, dozens of new countries could have nuclear power programs in the coming years. We welcome expansion of nuclear power and its corresponding benefits to global economic development, energy security, and climate change mitigation. We pledge our cooperation to help states considering nuclear energy to meet the highest standards of safety and security.

To facilitate the expansion of peaceful nuclear energy without increasing the risk of nuclear weapons proliferation, Mohamed ElBaradei, Director General of the International Atomic Energy Agency (IAEA), has championed the development of new approaches to the nuclear fuel cycle, including nuclear fuel banks, international fuel cycle centers, fuel leasing options, and assistance in managing used fuel after it is removed from reactors.

The United States and Russia strongly support this quest for multilateral fuel assurances. Presidents Obama and Medvedev endorsed this concept in their July 6 joint statement on U.S.-Russia nuclear cooperation.

In response to Dr. ElBaradei's initiative, the Russian Federation has proposed a guaranteed reserve of low-enriched uranium fuel located in an IAEA-safeguarded facility in Angarsk, Siberia for use in cases of supply disruption. Upon the request of the IAEA, fuel from this reserve could be transferred, in accordance with Russian law, to a recipient in good standing with its IAEA safeguards obligations. Agreements to implement the Angarsk reserve are being prepared for consideration by the IAEA Board beginning November 26.

In all, a dozen diverse and complementary fuel assurance proposals have been crafted by governments and non-governmental organizations (NGOs). The Nuclear Threat Initiative, an NGO co-chaired by former Senator Sam Nunn, has

offered \$50 million in challenge grant funds for an IAEA-administered fuel bank that could provide confidence to states that choose not to pursue costly and complex uranium enrichment technology. In response, more than 30 countries have now pledged over \$100 million to support its establishment.

The cornerstone of the global nuclear nonproliferation regime, the Nuclear Nonproliferation Treaty, reaffirms that nations that have joined the Treaty have a right to pursue the peaceful uses of nuclear energy in conformity with the Treaty's nonproliferation obligations. We respect each country's choices and decisions with respect to civil nuclear energy and fuel cycle policies. Our efforts to provide fuel assurances must not and do not alter the rights recognized under the Treaty. Instead, they will facilitate the expansion of peaceful nuclear energy to many more countries.

Fortunately, the nuclear power sector is endowed with a reliable, dynamic, and well-functioning fuel market. Today, many states operate nuclear reactors with fuel supplied through reliable, long-term contracts with a diverse array of international vendors. Many countries have decided it is more cost effective and efficient to operate nuclear power plants without domestic uranium enrichment capacity.

For those who seek greater assurance than the market provides, multilateral fuel assurance mechanisms can serve as safety nets in the event of a fuel supply disruption.

Guided by Dr. ElBaradei's vision, government officials from many countries are working together to shape the fuel assurance concept, whether through the invention of new proposals or through thoughtful commentary on the merits of existing ideas. As the lively debate at the IAEA in Vienna will testify, we are clearly not alone in the effort to facilitate access to peaceful nuclear power while managing proliferation risk. We believe that the establishment of the first fuel assurance mechanism – the Angarsk reserve – is now within our grasp.