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

7 May 2007

Original: English

First session

Vienna, 30 April-11 May 2007

Perspectives on issues related to cluster 2

Working paper submitted by Australia

1. The benefits of the NPT in the area of safeguards are beyond any doubt. NPT safeguards applied by IAEA provide the practical means for States to demonstrate their commitment to use nuclear energy exclusively for peaceful purposes. Safeguards are also the means by which States can have confidence in the peaceful nature of nuclear activities by other States. The assurance so provided is a fundamental element of collective security.
2. The safeguards system delivers much more than its direct security benefits. The assurance that States' nuclear activities are peaceful is an essential foundation for trade and cooperation in the peaceful uses of nuclear energy. And effective non-proliferation assurances, as provided by the safeguards system, are a crucial factor in building the environment of confidence necessary for continuing progress on nuclear disarmament.
3. While the NPT is often described as a "bargain" it is not the type of bargain in which the interests of some parties are pitted against the countervailing interests of other parties. All NPT parties have a clear and common interest in strong support for the IAEA safeguards system, and in ensuring its continued effectiveness and responsiveness to current challenges.
4. The non-proliferation regime is confronted with unprecedented challenges that pose a significant test for the NPT, which need to be met firmly by upholding the Treaty's integrity and reinforcing the authority of the IAEA safeguards system. Any State that wilfully violates safeguards obligations, by its own actions isolates itself from the benefits which accrue from NPT adherence, including cooperation in the peaceful uses of nuclear energy, until it returns to full compliance.
5. The IAEA Board of Governors found that Iran's many failures and breaches of its obligations to comply with its NPT safeguards agreement constitute non-compliance, and reported Iran to the Security Council, which has adopted resolutions 1696 (2006), 1737 (2006) and 1747 (2007) supporting and ultimately making mandatory the IAEA Board's calls for Iran to implement a suspension of enrichment-related activities. Australia shares the concern of many about Iran's



continuing uranium enrichment activities in defiance of the IAEA Board and the Security Council, and Iran's rejection of the proposals of China, France, Germany, the Russian Federation, the United Kingdom and the United States, with the support of the EU High Representative, for a long-term comprehensive solution.

6. Resolving all outstanding safeguards and verification issues for Iran, as well as the full implementation of Iran's Safeguards Agreement including its Additional Protocol, are essential before IAEA can conclude that Iran is in compliance with its NPT obligations. Iran and those that have provided nuclear technology and equipment to it for its enrichment programme should cooperate fully and promptly with IAEA.

7. North Korea's nuclear weapons and ballistic missile programmes remain a serious challenge to the international nuclear non-proliferation regime as well as to peace and stability in the Korean Peninsula and beyond. The IAEA Board of Governors reported North Korea's non-compliance with its NPT safeguards obligations to the Security Council, which adopted resolutions 1695 (2006) and 1718 (2006) in response to North Korea's missile and nuclear tests respectively. Australia deeply regrets the DPRK's announced withdrawal from the Treaty, condemns the nuclear test carried out by the DPRK on 9 October 2006 and calls upon the DPRK to come into compliance with the NPT and IAEA safeguards.

8. Australia welcomes the agreement reached on 13 February 2007 following the Six-Party Talks in Beijing, in which the DPRK committed to initial actions towards implementation of the September 2005 joint statement. An important part of any normalization of the DPRK's status with regard to the NPT will be the resumption of safeguards activities consistent with the requirements of article III. We welcome the DPRK's commitment to shut down and seal, for the purpose of eventual abandonment, the Yongbyon nuclear facility, including the reprocessing facility, and to invite back IAEA personnel to conduct all necessary monitoring and verifications. Australia calls on North Korea to implement its commitments without further delay.

9. IAEA safeguards provide assurance that States are complying with their non-proliferation undertakings, and provide the mechanism for States to demonstrate this compliance. They are an important, integral part of the international regime for nuclear non-proliferation. All States must cooperate fully with IAEA in implementing safeguards agreements and in expeditiously addressing anomalies, inconsistencies and questions identified by IAEA.

10. The excellent record of compliance of most parties with their NPT safeguards obligations demonstrates wide international recognition of the benefits of a strong non-proliferation regime. But the revelations of previously undeclared nuclear programmes leaves no further doubt that comprehensive IAEA safeguards are insufficient to prevent proliferant States from covertly acquiring sensitive nuclear materials and technology.

11. This shortcoming prompted the development of the strengthened safeguards system, the key element of this system is the Additional Protocol, which Australia was the first country to conclude with IAEA in 1997. The Additional Protocol serves all States' interests by enhancing IAEA's ability to provide assurances as to the peaceful nature of nuclear activities — in turn supporting cooperation on peaceful uses, further progress on nuclear disarmament, and global security in general.

12. Australia is working with IAEA and other countries to increase the number of Additional Protocols in force. We note that of the 64 non-nuclear-weapon States with significant nuclear activities, 45 have Additional Protocols in place and a further 12 have signed or been approved by the IAEA Board of Governors — an uptake of 90 per cent of all such States. States with significant nuclear activities still outside the strengthened safeguards system are clearly out of step with the overwhelming majority. It is of concern that seven non-nuclear-weapon States with significant nuclear activities have yet to conclude an Additional Protocol. We again urge States yet to sign or ratify an Additional Protocol to do so promptly.

13. The IAEA safeguards system has undergone considerable evolution since the NPT entered into force 37 years ago. The strengthened safeguards system is the latest manifestation of this evolution. A comprehensive safeguards agreement together with an Additional Protocol now represents the verification standard required under article III.1 of the NPT. NPT parties should declare this standard unequivocally.

14. The IAEA Board of Governors has concluded that the previously existing Small Quantities Protocol (SQP) constituted a weakness in the safeguards system, and decided to modify the standard SQP text and change the eligibility for an SQP. Australia calls upon all SQP States that have not already done so to adopt the revised SQP without delay. We urge SQP States that are planning to acquire nuclear facilities or to otherwise exceed the criteria of the revised SQP to renounce their SQPs and to resume full application of Comprehensive Safeguards Agreement provisions without delay, and further urge all States with SQPs to bring into force an Additional Protocol in order to provide maximum transparency.

15. In order to draw well-founded safeguards conclusions, the IAEA needs to receive early design information in accordance with the IAEA Board of Governors' 1992 interpretation, to determine whenever appropriate the status of any nuclear facilities, and to verify, on an ongoing basis, that all nuclear material in non-nuclear-weapon States is placed under safeguards. Australia urges all non-nuclear-weapon States to provide this information to IAEA on a timely basis.

16. Australia's uranium export policy recognizes the strategic significance which distinguishes uranium from other energy commodities. We export uranium only to NPT parties with which we have bilateral safeguards agreements setting strict conditions for using Australian material. Australia's safeguards agreements form part of the global system of interlocking and mutually reinforcing mechanisms that comprise the nuclear non-proliferation regime. Our policies have ensured that a very significant proportion of nuclear material in international use is covered by the strictest non-proliferation conditions. Australia has made the Additional Protocol a condition of supply of Australian uranium to non-nuclear-weapon States; the first country to do so. We urge all nuclear suppliers to apply a similar requirement.

17. Australia has the honour to convene in Vienna a group of NPT supporters known as the G-10. The Group's participants — Australia, Austria, Canada, Denmark, Hungary, Ireland, the Netherlands, New Zealand, Norway and Sweden — are like-minded on the NPT's vital security and other benefits to all States, and on the value of constructive progress in the implementation of articles III and IV in particular.

18. The G-10 meets informally prior to NPT meetings, with a view to facilitating discussion of article III and IV issues. The Group affirms that preserving the Treaty's benefits, including its effectiveness in checking nuclear proliferation, depends critically on maintaining international commitment to the Treaty and responding robustly to cases of non-compliance that threaten the NPT regime. G-10 delegations look forward to working with others in a constructive and positive spirit.
