

**UK Statement
to the 2008 Non-Proliferation Treaty Preparatory Committee**

**Cluster 3 – Peaceful Uses
by
Ambassador John Duncan
Ambassador for Multilateral Arms Control and Disarmament
Geneva, 6 May 2008**

Please check against delivery

Mr Chairman

Strengthening the global non-proliferation regime requires States to work together to address their obligations under each of the three pillars of the Non Proliferation Treaty: non-proliferation, disarmament, and the peaceful uses of nuclear technology. The United Kingdom believes that equal progress needs to be made on each of these pillars and in this regard reiterates its unequivocal support of State's rights to the peaceful uses of nuclear energy.

There is ample evidence that a nuclear renaissance is taking place, with countries around the world beginning to look to nuclear power as part of their energy mix to deal with the problems of growing energy demand, energy security and the increasing concern over global warming. The United Kingdom does not seek to influence those sovereign decisions albeit that we have opted to make nuclear generation of electricity an important element of our future energy supply.

The prospect of a very large increase in nuclear energy around the world does however raise important issues, which we need to address together in a constructive and forward-thinking way. The United Kingdom believes that nuclear generation of electricity can bring many benefits – developmentally, economically and environmentally. However, developing hugely expensive and technically complex indigenous fuel cycle technologies is a luxury that many States may not be able to afford. And there are serious implications for safety, security and non-proliferation. We therefore believe that collectively we need to address the challenges creatively. The United Kingdom wishes to facilitate equal access to nuclear technology as a way to ensure that all States can benefit from the advantages of nuclear energy. But at the same time we need to be open and robust in ensuring we identify and manage the risks appropriately and adequately.

In 2003 the Director General of the International Atomic Energy Agency, Mohamed ElBaradei highlighted the need for multilateral co-operation on the nuclear fuel cycle to resolve the challenges posed by the growth in use of nuclear energy. Since then 12 different proposals have been developed ranging from IAEA controlled nuclear fuel banks, internationally owned enrichment centres and fuel guarantee schemes.

The UK has developed its own proposal, the Enrichment Bond concept, which proposes an IAEA-backed insurance policy to guarantee enrichment services in the event that they are stopped due to political reasons. The concept is also applicable to

supplies of uranium ore and of fuel rods. The objective of this and other proposals is to create an internationally agreed regime under the IAEA which will increase confidence in fuel supply, support the implementation of the right of States to the peaceful uses of nuclear energy and offer countries seeking nuclear power an alternative to investing in enrichment and re-processing technology.

An Enrichment Bond would offer flexibility in terms of the precise agreement between supplier and recipient but with the guarantee of IAEA backing. It would not distort the commercial market, could be set up quickly, and would operate alongside any potential arrangements that depend on physical fuel stores.

These proposals should not ask States to forego their rights or impinge on national choices but it is important that States who wish to develop domestic fuel cycle capabilities do so in the knowledge that this brings with it special responsibilities and safety and security obligations.

Together with German and Dutch colleagues, the UK co-hosted a conference on “Nuclear Fuel Supply: Challenges and Opportunities” in Berlin on 17 and 18 April. This conference brought together States that had expressed a recent interest in developing nuclear energy for the first time with States that have experience in nuclear industries.

The conference enabled experts from participating countries to explore the issues, correct misunderstandings and develop a better understanding of the concerns. It highlighted the importance of establishing a platform that will ensure equality of access to nuclear fuel without discrimination and which will build confidence that the growth of nuclear energy will not be accompanied by heightened safety and proliferation risks.

Mr Chairman

It is important that we continue this dialogue, and as announced by Gordon Brown, the Prime Minister of the United Kingdom in Parliament on 19 March the UK will host a major international conference later this year on this issue.