

**Remarks Prepared for Energy Secretary Abraham
International Atomic Energy Agency
Vienna
September 20, 2004**

We meet today at a time of great challenge. It is our job, our responsibility, to make sure terrorists never acquire a nuclear weapon, or the materials to make one.

The United States and President Bush sincerely value the vital role played by the IAEA in meeting this challenge, and are eager to enhance the cooperative efforts of this organization to make the world a safer place.

The president asked me to read a letter he prepared:

I send greetings to those gathered for the 48th General Conference of the International Atomic Energy Agency. During this critical time in our history, the collaborative efforts of the international community to prevent the proliferation of nuclear weapons are vital to advancing peace and prosperity around the world. In the past year, we have witnessed major successes against proliferation: Libya's historic decision to renounce weapons of mass destruction and longer-range missile programs; the dismantling of the world's most dangerous proliferation network; the unanimous call by the United Nations Security Council for all states to criminalize proliferation; and accelerated progress in securing and reducing nuclear and radioactive materials.

We must do everything in our power to combat the proliferation of nuclear and other weapons of mass destruction, and strengthening the IAEA is an important part of these efforts. We must also make certain that those states in

full compliance with their nonproliferation obligations can benefit from the peaceful use of nuclear energy. The United States applauds the Agency's work in safeguards and verification, and we will continue to work to ensure that you have the tools necessary to accomplish your critical mission.

Best wishes for a successful conference.

George W. Bush

I too, wish for a successful conference, because the lives of millions of people may depend on the IAEA's work.

Three years ago the most massive terrorist attack in history struck down thousands of my fellow citizens. It was not the first such mass murder of innocent civilians, and sadly, it was not the last.

The terrorists struck again, in Bali... and then Madrid. Just weeks ago, they committed perhaps their most shocking and repulsive act: the explicit targeting and barbaric slaughter of hundreds of school children in Russia. And most recently, the terrorists claimed yet more victims—in and around the Australian Embassy in Jakarta.

I want to extend my heartfelt condolences to the Russian, Indonesian, Spanish, and Australian people for these terrible tragedies.

Again and again, the terrorists have made clear that they will—quite literally—do anything.

I also believe, however, that the inhumanity of what happened at Beslan is an indication that the terrorists are feeling increasingly desperate. The civilized world has responded to the outrages committed against its citizens. And we are making progress:

driving the terrorists from their sanctuaries, exposing their networks, interdicting their cash flow, and denying them the most terrible weapons they seek.

A vital part of that effort is identifying and securing at-risk nuclear and radiological materials around the world. That is why four months ago I announced, on behalf of the Bush Administration and the United States, the Global Threat Reduction Initiative to respond to the ever-evolving, ever-changing proliferation threat.

This initiative offers new measures to work on an international basis, to identify, secure, remove and/or facilitate the disposition of vulnerable nuclear and other radiological materials and equipment around the world - *as quickly and expeditiously as possible* - that pose a threat to the international community.

In the intervening four months since the United States introduced this initiative, the response from nations all around the world has been immensely gratifying.

Some of you have contacted us to get more information. Others have contacted us to lend varying levels of support. Still others have let us know that, like us, they are intensifying efforts in their own nations to secure and remove materials that terrorists might seek."

I am proud of that response and pleased with our accomplishments since May.

Just one day after GTRI was launched, Director Rumyantsev of the Russian Atomic Energy Agency and I signed an Agreement on the Russian Research Reactor Fuel Return program. More than a dozen countries are now eligible to receive financial and technical assistance from the United States and others to ship their fresh and spent research reactor fuel to Russia for safe and secure management.

In July, the United States and Romania signed an implementing agreement to facilitate the return of spent HEU fuel to Russia. Then, in August, we worked with Germany to return U.S.-origin material from three research reactors in Germany to the U.S. And most recently, on the 9th of this month, weapons-usable fresh highly enriched uranium from Uzbekistan was repatriated to Russia. We are now working with Uzbekistan to implement the first pilot shipment of spent HEU fuel to Russia.

It is clear that our efforts to secure dangerous materials can be measured in months, not decades as some critics suggest.

All of this, of course, is in addition to the very significant non-proliferation success achieved with Libya. Libya, as we know, has voluntarily abandoned its pursuit of nuclear weapons, permitted inspections by the IAEA, and has facilitated the removal of its nuclear weapons components.

Libya's action, and the positive response to it of the international community, demonstrates that the pathway to international acceptance and mutually beneficial partnership is, in fact, a straightforward one. Cooperation in the IAEA's non-proliferation efforts does not mean that any nation's access to energy or political sovereignty will be undermined. In fact, just the opposite is the case. Such cooperative effort opens the door of international support, and leads to tangible benefits from the world community, which is eager to respond to positive action.

I hope this will eventually be the case with Iran. As a party to the NPT, Iran accepted legally binding obligations. Yet for nearly 20 years it has acted contrary to those obligations, secretly building sensitive nuclear fuel cycle facilities, and doing so for weapons purposes.

The IAEA Board of Governors has said that Iran must cease its pursuit of nuclear weapons, suspend enrichment activity, and answer all questions raised by the Board. And it is essential that Iran now cooperate fully and immediately with the IAEA's requests.

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Since September 2001, the IAEA and the world community have understood more clearly than ever the threats posed by international terrorism. We have taken a positive series of steps to address those challenges.

For one, we have realized that we need to do more to control nuclear technologies, and are taking steps to improve our efforts on that front. In February, President Bush called "on all nations to strengthen the laws and international controls that govern proliferation," and "proposed a new Security Council resolution requiring all states to criminalize proliferation, enact strict export controls, and secure all sensitive materials within their borders." He noted that there is a "consensus among nations that proliferation cannot be tolerated."

But as the President also said, "this consensus means little unless it is translated into action." To that end, the President proposed seven measures to strengthen the world's efforts against the proliferation of weapons of mass destruction. Those measures address the urgent requirements to heighten law enforcement against proliferators, to expand assistance to reduce and secure deadly materials, to tighten controls on nuclear transfers, and to enhance the IAEA's ability to fulfill its verification mission.

In addition, the United States and our G-8 and European Union partners have proposed several important measures to strengthen Nuclear Suppliers Group and IAEA controls.

- We seek universal adherence to the Additional Protocol, which would require the reporting of "trigger list" imports and exports, and provide the IAEA with an important tool to ensure that safeguarded nuclear activities remain peaceful, and are not used as a cover for illegitimate purposes.
- We must make the Additional Protocol an essential new standard in the field of nuclear supply.
- We must enact strict controls on the spread of enrichment and reprocessing technology.
- And finally, we must strengthen the IAEA further by creating a new special committee of the Board of Governors to focus on safeguards and verification, and to establish the principle that states under investigation should not pass judgment on their own cases in the Board or the new Special Committee.

In addition to our focus on nuclear technology, we have also recognized that our non-proliferation goals require much better security of nuclear materials, and we have developed programs to address this area as well.

For instance, we have accelerated the timeline for securing 600 metric tons of weapons-usable in Russia and the New Independent States, and we are upgrading site security with the Russian Navy and Strategic Rocket Forces.

To further those efforts, I urge that we finish the revisions to the Physical Protection Convention and the Export/Import Guidelines Code of Conduct on Radioactive Sources.

We must also strengthen the IAEA safeguards to make them more focused, flexible, and effective-and make use of new technologies to detect undeclared materials and activities.

Finally, as President Bush has stressed, we must also increase the attention we give to the **people** who have access to nuclear materials and technologies.

The seriousness of this challenge was brought into stark relief by the discovery of the A. Q. Khan network. Individual profiteers, trading in nuclear weapons designs, technology, and equipment, make evident that the nuclear threat is not limited to sovereign states alone.

We have exposed and broken the Khan worldwide nuclear bazaar. Working with others, we are in hot pursuit of all remaining elements of that operation. Just two weeks ago, authorities in South Africa discovered eleven containers of uranium enrichment components hidden at a precision machine manufacturing firm. That discovery is related to other recent arrests and inquiries made recently by German and Swiss authorities.

My own country, unfortunately, has had its own experiences of individuals releasing highly sensitive information on nuclear technology. Other nations have experienced this as well. Clearly, then, this is a concern, and a responsibility we must all share, because no one is exempt from this threat to our non-proliferation efforts.

As we confront this challenge, it is important to note that the overwhelming number of nuclear scientists, engineers, technicians, and managers are honest and hardworking people, who understand and respect the need for the highest security. Yet, we cannot ignore the possibility that some individuals may abuse their trust for illicit purposes-whether out of political beliefs, financial need, or some other inducement. Addressing

this vulnerability within our own nations, and collectively through the IAEA, must be a major priority.

We must address the threat that individuals with access to nuclear material and technology may in some way or at some time be open to coercion, corruption or compromise.

To that end, we propose working with Member States to bring industry together in the appropriate setting with governments to ensure that export control laws are followed, and that there will be swift enforcement action when they are not. This important partnership will assist the international defense against procurement networks. It will seek to find new ways to thwart the black market trade in the constituent parts of man's most deadly technology - reinforcing our ongoing efforts to identify sources of illicit proliferation and help close those sources off. At the same time, it will help to make available the fruits of nuclear technology to all those who will use it responsibly.

Working together, we will build a global commercial environment that will at once protect competitive advantage and provide business around the world with a firmer grasp of our shared responsibilities in this new epoch.

This will require the cooperation and input of the entire nuclear industrial sector including: uranium miners and millers; reactor designers and builders; fuel fabricators and suppliers; the fuel-service providers; as well as the providers of dual-use technologies that are required to support the nuclear fuel-cycle. These critical sectors are the identified targets of the black-market profiteers, and they must therefore be involved in the effort to develop "best practices" to protect themselves and the world.

To help expedite this effort, my Department will provide top-level expertise to the IAEA to assist the Agency and its members in countering these criminal networks. We will also offer assistance to the IAEA to help member countries enhance their export controls and regulatory infrastructure to stop transshipment of proliferant material.

But this, ultimately, must be a global effort.

The IAEA was founded with a global mission: to ensure the safe and peaceful use of atomic power. Today, it faces a global challenge: to prevent the proliferation of nuclear materials, technology and expertise, and to deny nuclear weapons to madmen and murderers.

It is difficult to conceive of a more urgent task. We have seen, again and again, in every part of the world, the carnage and devastation inflicted by terrorists. In their strikes on the World Trade Center and the Pentagon we saw the scope of their ambition. In their targeted mass murder of children in Beslan we saw the depth of their depravity.

Let us hope and pray we never see the awful day when terrorists attack with a nuclear weapon. But let us also rely not only hopes and prayers. I urge all of here to increase our commitment, improve our cooperation, and work unceasingly to ensure that such a day never comes.

Thank you.