

AUSTRALIA

Mr President

The Australian delegation joins others in congratulating you on your election and looks forward to the success of the Conference under your leadership. We would also like to congratulate the Director General, Dr ElBaradei, on his reappointment and record our appreciation for his leadership of the IAEA. We also wish to thank him for his preview of the challenges faced by the Agency and international community.

I have just returned from New York, where Australia's Foreign Minister, the Hon. Alexander Downer MP, presided over the Conference held under Article XIV of the Comprehensive Nuclear-Test-Ban Treaty, to facilitate entry into force of this Treaty. I wish to inform IAEA Members this year's Conference demonstrated the near universal commitment to the CTBT as an effective measure of nuclear disarmament and non-proliferation. The Treaty has been signed by 176 States and ratified by 125 States, and these numbers will continue to grow. Against this background, the CTBT Conference strongly encouraged the 11 Annex 2 States, whose ratification is needed for entry into force, to ratify the Treaty as soon as possible. Australia is encouraged by the work of the CTBTO Preparatory Commission to establish its verification regime and recognises the potential for the International Monitoring System to also contribute to disaster alert efforts.

Mr President

The Agency's work has enabled a great many countries to have access to and derive the benefits of **peaceful nuclear energy** in a wide range of areas, from food and agriculture and human health to industry and resource management. Australia holds large

uranium resources and has a significant scientific base in nuclear technology, including that associated with the state-of-the-art “Open Pool Australian Light-water” (OPAL) research reactor and associated neutron beam facilities nearing completion in Sydney. Australia is proud to be at the forefront of advancing aspects of peaceful nuclear applications, both in our region and globally.

Australia is a significant contributor to the IAEA’s regular budget. Our pledge to the Agency’s Technical Cooperation Fund of two million (Australian) dollars is paid in full, and we support ongoing reform of the TC program to strengthen its effectiveness. Australia also contributes significant extra-budgetary funding to the Regional Cooperative Agreement (RCA). Complementing this support, Australia is engaged in a range of bilateral nuclear cooperation activities. In these many ways, Australia participates in and contributes to an intensive exchange of information and expertise, particularly within the Asia-Pacific region and with the Agency.

Australia believes there is scope for women to play a greater role across all the Agency’s functions. Australia commends the Agency for its efforts to enhance the representation of women in the Secretariat and in nuclear affairs more broadly. Much more remains to be done and we welcome — and are playing our part to support — initiatives aimed at increasing the numbers of women in the Secretariat.

Mr President

A key factor in the successful development of nuclear energy for peaceful purposes is commitment and adherence to internationally accepted standards of **nuclear safety and security**. At the highest level these are set out in the Convention on Nuclear Safety; the Joint Convention on Spent Fuel and Radioactive Waste; the Code of Conduct on the Safety and Security of Radioactive Sources; and the Code of Conduct on the Safety of Research

Reactors. Australia looks forward to the continued development of Agency standards as the global benchmarks for nuclear safety, including a single statement of Safety Fundamentals and the review of the Basic Safety Standards.

Physical protection of nuclear material and nuclear facilities continues to be a high priority. Effective physical protection is a strong counter-terrorism measure. Australia welcomes the Agency's Nuclear Security Plan of Activities for 2006 to 2009 which provides a sound basis for addressing the challenges facing all States. Australia was pleased to contribute to strengthening the Convention on the Physical Protection of Nuclear Material (CPPNM), including through chairing the main committee at the diplomatic conference in July. We call on all States to adhere to the strengthened CPPNM and to apply the Agency's physical protection recommendations and other relevant standards.

Australia places a priority on enhanced security of radioactive sources. We were pleased to chair the 2003 negotiations which developed the Code of Conduct on the Safety and Security of Radioactive Sources. We urge all countries to implement the Code and the associated import/export guidance. In light of increased concern about radiological terrorism, Australia is working to improve and strengthen its own regulatory controls on radioactive sources and with regional countries to strengthen their controls over radioactive sources. We are also funding a three year project on improving radiological safety in the Asia-Pacific, which aims to improve capacity to respond to radiological risks such as aquatic environmental risks and radiological emergencies.

Australia welcomes conclusion of the Convention for the Suppression of Acts of Nuclear Terrorism. Australia was among the first group of states to sign. Our hosting of a ministerial-level Asia-Pacific Nuclear Safeguards and Security Conference in November

2004, and our contributions to the IAEA's Nuclear Security Fund and the G8 Global Partnership against the Spread of WMD, illustrate the importance Australia attaches to ensuring that the threat of nuclear terrorism never becomes a reality.

Australia welcomes Security Council Resolution 1540, which requires all States to establish controls over materials related to nuclear weapons and their means of delivery. We also strongly support the Proliferation Security Initiative (PSI) which has developed quickly as a valuable means for helping prevent and deter illicit flows of WMD and missile related items to and from states of concern and non-state actors.

Mr President

The world is focusing renewed attention on nuclear power, which is capable of producing base load electricity with virtually no greenhouse gas emissions. As global demand for nuclear power grows, demand for uranium will also grow. Australia — as a holder of large uranium reserves — will play a constructive role in this growth, while ensuring that our nuclear materials are supplied only if we are satisfied they will not contribute to any military purpose.

The Agency's **nuclear safeguards system** provides 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 underpins long-term stability in the international trade in nuclear materials and technology. All nuclear suppliers should ensure the receiving State has in place a strong national system of nuclear security comprising Agency safeguards, physical protection, measures to combat illicit trafficking, and rules and regulations for appropriate export controls.

The combination of a comprehensive safeguards agreement and an Additional

Protocol is now established as the contemporary safeguards standard. Adherence to this standard is the best way to ensure the long-term effectiveness of Agency safeguards. States with significant nuclear activities still outside the strengthened safeguards system are out of step with the overwhelming majority. Furthermore, since the Additional Protocol improves the Agency's capacity to detect undeclared nuclear material and activities, it is important that it be implemented by all States. Australia announced earlier this year that it intends to make the Additional Protocol a condition for supply of Australian uranium to States with comprehensive safeguards agreements.

We take this opportunity again to urge States yet to sign and ratify an Additional Protocol to do so promptly. As the first State to conclude an Additional Protocol, Australia has gained much experience in the implementation of the strengthened safeguards system, and will continue to offer technical assistance to States that require it – particularly those located in our region. Australia and the IAEA jointly conduct regional training seminars on national safeguards and we cooperate with the Agency in conducting a wide variety of ad hoc safeguards training activities.

For States with limited holdings of nuclear material, the Board has recently approved a revised Small Quantities Protocol (SQP) to comprehensive safeguards agreements. Australia calls on relevant States to adopt the revised SQP without delay. Further, implementation of an Additional Protocol can assist in providing the Agency with appropriate verification tools in an SQP State. Australia therefore calls on all SQP States that have not already done so to conclude an Additional Protocol.

The Agency's safeguards system must continue to evolve and adapt in order to continue to be credible and effective in the face of profound challenges. Australia welcomes the Board's decision to create the Committee on Safeguards and Verification.

The new Committee, together with the Board of Governors, have the opportunity and the responsibility to ensure the Agency has access to the full range of technical, administrative, diplomatic and political measures necessary to fulfil its verification mandate. We look forward to working with other Members on the Committee. The work of this Committee will complement the important work of SAGSI, which advises the Director General on safeguards implementation.

Mr President

Globalisation and increased economic development have made peaceful nuclear technology more accessible than ever before. At the same time, the international community faces profound **proliferation challenges**. Deeply troubling proliferation activities have revealed the nuclear non-proliferation regime's weaknesses. Some estimates suggest as many as 35 to 40 countries have the capability to produce nuclear weapons if they choose to do so. And terrorist organisations are known to be interested in weapons of mass destruction. Members of the Nuclear Non-Proliferation Treaty lost a key opportunity this year to adopt stronger measures to address contemporary challenges, but the nuclear non-proliferation regime established by the NPT has lost none of its value. The IAEA's work in overseeing applications of the "peaceful atom" is central to strengthening and extending the regime.

The spread of sensitive technologies, and the lowering of technical and economic barriers to their acquisition, raise issues of fundamental importance. Chief among these are: the potential for States to flout safeguards commitments; and the risk of illicit transfer of sensitive technologies. Enrichment and reprocessing technologies can be used both for peaceful purposes and for the production of fissile material for nuclear weapons. The spread of uranium enrichment technology presents a particular proliferation risk. Uranium

enrichment facilities require special controls and should not be situated where they could diminish security. Further, those who would propose to venture into enrichment should demonstrate exemplary transparency and cooperation with IAEA safeguards, and have credible justification.

With growing interest in expanding the peaceful uses of nuclear energy, approaches to the nuclear fuel cycle have assumed unprecedented relevance. Australia welcomes the Director General's initiative to commission the report of the independent Expert Group on Multilateral Approaches to the Nuclear Fuel Cycle. The report is a helpful contribution in the search for new approaches to limiting the spread of sensitive nuclear technology.

Mr President

The **international security environment** has changed markedly, with proliferators resorting to ever more sophisticated methods for procuring sensitive materials. We should be vigilant against those who would undermine good faith efforts to bring the benefits of peaceful nuclear applications to the world. In this regard, the Agency's investigative work is important to stamping out the pernicious nuclear black market and for addressing changing and developing proliferation threats. As well, firm responses are required to deliberate violations of safeguards obligations and to substandard security and safety practices.

States that wilfully violate safeguards obligations potentially cut themselves off from the benefits of peaceful nuclear cooperation.

The **DPRK's** February 2005 claim it has nuclear weapons is a grave challenge to international security. The joint statement of principles agreed at the fourth round of the Six-Party talks earlier this month was a welcome step by North Korea towards its stated commitment to a denuclearised Korean Peninsula. The DPRK should grasp this

opportunity to reintegrate itself into the international community through verifiably abandoning its nuclear weapons programs.

Iran is pursuing the full nuclear fuel cycle without convincing justification. Following eighteen years of clandestine nuclear activity and after more than two years of IAEA investigations, key questions remain about the nature and intentions of Iran's nuclear program. Australia commends France, Germany, the United Kingdom and the European Union for their constructive contribution to resolving this issue. The Board has repeatedly called on Iran to suspend all enrichment-related and reprocessing activities in support of that process. Successive resolutions of the Board of Governors have made it clear that the suspension included uranium conversion.

It is deeply regrettable that Iran has chosen to ignore these demands. The Board has taken necessary actions in line with the Agency's Statute, including in response to Iran's non-compliance. The international community's confidence in Iran's nuclear programme has yet to be restored. Australia strongly urges Iran to reinstate the suspension fully and without pre-conditions or delay, and to comply with requirements of successive Board resolutions. We urge Iran to give the Agency necessary access and cooperation so that all of the many remaining questions about Iran's nuclear program can be resolved. As the Director General has said, "this is...a special verification case that requires additional transparency measures", including those "beyond the confines of the safeguards agreement and the additional protocol...to compensate for the confidence deficit created".

Mr President

I can assure you that Australia will continue its strong support for the Agency as it protects and extends the benefits provided by peaceful nuclear energy.