

Information Circular

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General Distribution

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Communication received from the Resident Representative of the Russian Federation to the IAEA on the Establishment, Structure and Operation of the International Uranium Enrichment Centre

1. The Director General has received a communication dated 7 June 2007 from the Resident Representative of the Russian Federation, with an attachment entitled “Establishment, Structure and Operation of the International Uranium Enrichment Centre”.
2. As requested in that communication, the letter and its attachment are circulated for the information of Member States.

PERMANENT MISSION OF THE RUSSIAN FEDERATION TO THE INTERNATIONAL
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Vienna, 7 June 2007

Sir,

I have the honour to send you the information material "Establishment, structure and operation of the International Uranium Enrichment Centre" prepared by the Federal Atomic Energy Agency, which sets forth the outlines of progress regarding implementation of the initiative of the Russian Federation's President Putin for the establishment of a global nuclear power infrastructure, for circulation as an information document to Agency Member States.

Accept, Sir, the assurances of my highest esteem.

Enclosure

(signed) Alexander Zmeyevskiy
Resident Representative

Mr. Mohamed ElBaradei
Director General
IAEA,
Vienna

Establishment, structure and operation of the International Uranium Enrichment Centre

At the EurAsEC summit in St. Petersburg on 25 January 2006, the President of the Russian Federation, V.V. Putin, made a statement on the peaceful use of atomic energy, in which he noted the need for the establishment of a global nuclear power infrastructure, ensuring equal access to nuclear power for all interested parties and, at the same time, reliable compliance with the requirements of the non-proliferation regime.

A key element of such an infrastructure should be the creation of a system of international centres providing nuclear fuel cycle services, including enrichment, under the control of the IAEA. The main assurance that the initiative should provide is that a country complying with its non-proliferation commitments must be sure that, whatever the turn of events, whatever changes take place in the international situation, it will receive the services guaranteed to it.

To achieve this goal, a decision was taken to launch a pilot project to establish on the territory of the Russian Federation the International Uranium Enrichment Centre (IUEC) on the site of the Angarsk Electrolysis Chemical Complex (hereinafter the AECC). The main function of the IUEC is to provide IUEC participating organizations with guaranteed access to uranium enrichment capabilities. The Centre is oriented chiefly to States not developing uranium enrichment capabilities on their territory. In so doing, the Russian side will not transfer to IUEC participants the uranium enrichment technology or information that constitutes a State secret.

The Government of the Russian Federation has taken the decision to include the AECC in the list of nuclear fuel cycle facilities to which IAEA safeguards may be applied, about which the IAEA was officially informed in a letter from the Permanent Mission of the Russian Federation to the international organizations in Vienna.

In the framework of a meeting held in Uralsk on 3 October 2006, the President of the Republic of Kazakhstan, N.A. Nazarbaev, supported the Russian initiative to establish the IUEC on Russian territory and on 10 May 2007 the corresponding agreement was signed.

The IUEC will be established as an open joint-stock company, which will ensure the IUEC's financial independence from the State budgets of the participatory countries to the agreement to establish the IUEC.

Currently, a mechanism is being developed for Russia to set aside a specific quantity of enriched uranium product (EUP) as a deposit for a guaranteed stockpile at the IUEC in a quantity of up to 1-2 full reactor loads. The means for establishing such a stockpile was provided for in the agreement to establish the IUEC.

Russia maintains national control over the material, in line with the Russian Federation's obligations in the non-proliferation field. In addition, a regulatory basis will be developed in the sphere of export control such that the shipment of material out of the country at the request of the Agency is guaranteed.

To consider all issues that arise, the agreement provides for the establishment of a joint advisory committee, whose composition is determined by the executive bodies of the parties. It is presumed that the IAEA will also be represented in the joint advisory committee.

A suitably expedient form of accession to the IUEC by interested organizations in third countries, based on individual intergovernmental agreements, is envisaged. The specific accession procedure is determined in the IUEC statute.

The IUEC will be founded as a commercial organization, whose participants under Russian legislation are entitled to receive dividends from the results of its activity. This ensures that the Russian initiative has an additional advantage: an economic incentive for potential IUEC participants.