

AGENDA ITEM 7: ASSURANCE OF NUCLEAR FUEL SUPPLY

Chairperson,

My delegation associates itself with the joint statement delivered on behalf of the Non-Aligned Movement and the G77 on this agenda item.

My delegation has shared its views in various fora that although the prevailing proliferation concerns may prompt us to consider further modalities or alternative arrangements for the supply of fuel, these should not impose unwarranted restrictions and controls over the legitimate peaceful use of nuclear energy and the inalienable right of Member States to pursue any nuclear fuel cycle capabilities, consistent with their obligations under the NPT.

It will be recalled that during the May 2010 NPT Review Conference, States Parties took a collective decision on the issue of the Assurance of Supply contained in the “Conclusions and recommendations for follow-on actions” under recommendation Action 58, in which States parties were to “[c]ontinue to discuss further, in a non-discriminatory and transparent manner under the auspices of the IAEA or regional forums, the development of multilateral approaches to the nuclear fuel cycle, including the possibilities of creating mechanisms for assurance of nuclear fuel supply, as well as possible schemes dealing with the back-end of the fuel cycle without affecting rights under the Treaty and without prejudice to national fuel cycle policies, while tackling the technical, legal and economic complexities surrounding these issues, including, in this regard, the requirement of IAEA full scope safeguards”.

Chairperson

We regret that these provisions of the NPT Review Conference have not been heeded. A proposal from several delegations for the convening of an open-ended Working Group to discuss this matter further was rejected by a few delegations.

It is also clear that the array of technical, legal and economic complexities surrounding the fuel bank have not been sufficiently addressed. The proposal in GOV/2010/67 does not contain provisions that would address the back end of the fuel cycle, as called for by the 2010 NPT Review Conference. It is a view shared by us and many other delegations that measures to address the back-end of the fuel cycle should have been considered and addressed in the proposal. The proposal also presents a lot of uncertainties regarding the financing of the proposed IAEA LEU Bank. My delegation would have preferred, inter alia, that there was more certainty in this area. These two examples show the deficiencies of this proposal that has been presented to the Board.

We also believe that a Fuel Bank under the auspices of the IAEA should have had much clearer eligibility criteria and avoid any discrimination. In this regard, GOV/2010/67 also contradicts some sensitive political discussions currently taking place amongst Member States, including some of the cosponsors of the proposal in GOV2010/67.

Chairperson,

It would therefore seem that this is one of those rare and unfortunate occasions when this esteemed Board is being asked to adopt a proposal that has not been fully developed in haste and whose practicality is highly questionable.

At best we are convinced that the proposed IAEA LEU Bank contained in GOV/2010/67 can only have a symbolic value. We believe that it is not a practical proposal.

If we had more time and the matter was postponed as we requested to the March Board, we could have worked for consensus once the issues were clarified.

South Africa always makes strenuous efforts to bridge divides and work for consensus as our record in the Agency demonstrates but requires cooperation from all concerned parties. Unfortunately such engagement was not possible this time.

For the reasons outlined my delegation unfortunately cannot join consensus on the proposal.