Russia Offers to Jump-Start IAEA Fuel Bank

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A senior Russian official made an offer Sept. 18 that could help establish an international fuel bank under the control of the International Atomic Energy Agency (IAEA). Sergei Kiriyenko, the head of Russia’s nuclear agency, also announced several other initiatives in September aimed at furthering Russia’s nuclear industry.

Kiriyenko told the IAEA General Conference that Russia planned to put under IAEA control a reserve of $300 million worth of low enriched uranium (LEU). Such a reserve would be sufficient for two reactor loads of LEU, the fuel for most modern power reactors. The fuel would be stored at a multinational uranium-enrichment facility Russia is establishing in the Siberian city of Angarsk.

“We should carry out the preparatory work required for the IAEA Director-General to propose to the IAEA Board of Governors that they consider Russia’s plans for establishing guaranteed nuclear fuel reserves in the first half of 2008,” Kiriyenko said.

Such a donation would jump-start an effort by IAEA Director-General Mohamed ElBaradei and the private Nuclear Threat Initiative (NTI) to establish a fuel bank that could guarantee that states without fuel-making facilities can turn to the international body if their supplies are cut off for reasons other than commercial disputes or nonproliferation violations. Last year, U.S. billionaire Warren Buffet offered to donate $50 million through the NTI to establish an LEU stockpile owned and managed by the IAEA under two conditions: that, within two years, one or several IAEA member states contributed an additional $100 million and that the agency took the necessary steps to establish it. (See ACT, November 2006.)

ElBaradei, the United States, and other nuclear fuel producers have urged the creation of such a facility because many of the facilities used to produce nuclear fuel can also provide the fissile material (highly enriched uranium and plutonium) used in nuclear weapons. ElBaradei issued a report to the IAEA board on the subject in June proposing several options. Meanwhile, Congress is considering appropriating $50 million dollars for the establishment of such a fuel bank. (See ACT, July/August 2007.)

In another step that should make it easier for the Angarsk project to advance, the Russian Duma, the lower house of Russia’s parliament, Sept. 14 approved an additional protocol to Russia’s safeguards agreement with the IAEA. Once ratified by President Vladimir Putin, the protocol would grant the agency wider powers in Russia. With nuclear-weapon states such as Russia, however, such protocols are largely symbolic because safeguards are primarily intended to guard against the misuse of nuclear fuel and technology for weapons.

Russia also signed a nuclear cooperation agreement with Australia Sept. 7 that could provide it with additional uranium for nuclear power programs. Australia has the world’s largest reserves of uranium and has already signed a controversial supply deal last year with China. Moreover, Canberra indicated earlier this year that it would be willing to conclude such a negotiation with India if certain conditions were met. (See ACT, May 2006 and September 2007.)

Kiriyenko said Russia is ready to process 4,000 tons of Australian uranium a year. Putin said Russia has “a sufficient” and even “excessive supply of weapons-grade uranium, but plans to build 30 nuclear power stations in the next 15 years and needs...Australian uranium to ensure their
operation.”