AUSTRALIA AND THE PACIFIC BASIN: COOPERATION IN NUCLEAR SCIENCE AND TECHNOLOGY

Opening address by Senator Gareth Evans, Minister for Foreign Affairs, to the Ninth Pacific Basin Nuclear Conference, Sydney, 2 May 1994.

It is with great pleasure that I give this opening address to the Ninth Pacific Basin Nuclear Conference - the first to be held in the Southern Hemisphere. This conference provides a valuable forum to advance our knowledge and understanding of the peaceful uses of nuclear science and technology, and at the same time to examine ways to enhance safety measures and manage nuclear waste. We all know that unless the citizens of our countries are confident that the benefits of nuclear science can be delivered safely, then there will always be reservations about its value to human kind.

This Ninth Pacific Basin Nuclear Conference is taking place at a time of well-founded optimism about the future security and economic prosperity of the Pacific Basin, or as we more often call it these days Asia Pacific, region. New forms of economic and security cooperation are evolving to carry the region into the 21st Century. The establishment of the Asia Pacific Economic Cooperation (APEC) forum has generated world-wide interest, and an important new regional body for multilateral dialogue on peace and security matters, the ASEAN Regional Forum, will hold its first meeting in July.

In the nuclear area the region has relied on, and will continue to rely on, important global regimes and institutions to serve its interests, notably the Nuclear Non-Proliferation Treaty (NPT) and the International Atomic Energy Agency (IAEA). These have served the region and the global community well. But three events - the Chernobyl disaster, the Gulf War and the current difficulties with North Korea - have reminded us all, governments, citizens and industry alike, that international arrangements for the nuclear industry have to keep pace with developments in industry and technology and nuclear proliferation, and be responsive to community concerns. Maintaining and improving the effectiveness of international arrangements is a major challenge for governments and industry for the remainder of this decade.

The Asia Pacific region has been associated with nuclear energy since the beginning of the nuclear age. Peaceful uses of nuclear energy are widespread in the region in areas such as scientific research, food production and preservation, medicine, the development of water resources and industry. Some of the most advanced nuclear power industries in the world have been developed by Asia Pacific countries, and additional regional countries are looking at the feasibility of nuclear power as part of their energy mix. At the same time the region includes two nuclear weapon states and a country currently in non-compliance with its obligations under the NPT.

It is not surprising that concerns and apprehensions about the military and civil uses of nuclear energy also exist among the governments and peoples of the region. The first and only use of nuclear weapons in war took place in this region. This region, more than any other, has been exposed to nuclear weapons testing in the North Pacific, in the South Pacific, in Australia and on the Asian and North American mainlands. Regrettably, although four of the nuclear weapons states have testing moratoriums in place, China is continuing its nuclear testing program. Periodically the question of the sea dumping of military and civil nuclear waste in the region has aroused concern, most recently with Russian dumping of wastes in the Sea of Japan.

International Framework

The centrepiece of international nuclear arrangements is the NPT. Its importance is no less today than when it was negotiated in the midst of the Cold War. While we have seen the end of the superpower arms race and the immediate threat of nuclear devastation, the threat of more localised conflict has not abated. In our own region, the challenge which North Korea poses to the security of North East Asia is an especially sharp reminder that the threat of nuclear proliferation has outlived the Cold War.

The conclusion of the NPT in 1968 was a bold statement of commitment to constructing a better future in which states would put their faith in international arrangements and turned their backs on the option of building their own nuclear weapons. It recognised the grave consequences for international security of both the spread of nuclear weapons beyond those states which already had them and the continued growth of existing arsenals. It provided for the first time for international on site inspection to provide states with the confidence they sought in the intentions of their neighbours. Without the assurances offered by the NPT

and the system of IAEA safeguards, distrust of nuclear intentions would feed security problems around the world. Without the assurances of the NPT, international nuclear trade and cooperation would dwindle.

The Treaty has established a vitally important norm for responsible international nuclear behaviour and, along with the UN Charter - a document written in the preatomic age - constitutes the core of international collective security arrangements. The membership of the Treaty continues to grow, with now 163 countries following Georgia's recent accession, and it represents a real community of interests against nuclear weapons proliferation.

Australia warmly welcomes new and prospective new adherents to the NPT - especially those with advanced nuclear programs such as Belarus and Argentina. We hope others will follow their example. We urge Ukraine, in particular, as a holder of advanced nuclear technology, to fulfil the undertakings it has entered under the START Treaty to join the NPT. Australia fervently believes that universal membership of the NPT is no longer the vain hope it once seemed, and that we should all continue to strive for this goal.

In no other region of the world is the community of interests against nuclear weapons as strong or as active as it is in this region. Almost all regional countries are members of the Treaty. The NPT has made an enormous contribution to the security of this region and provided a vitally important basis for regional nuclear trade and cooperation. With their common experience of the military side of nuclear technology, it is also not surprising that countries of this region have long been strong supporters of action to curb and to ban nuclear testing. The 1963 Partial Test Ban Treaty (PTBT) received strong support from the region. Indonesia's Foreign Minister, Ali Alatas, is the President of the PTBT Amendment Conference, with an important continuing role in this regard. Australia and New Zealand led international efforts for decades to achieve a comprehensive end to testing - by all states in all environments for all time - and there is strong support within the region for the early conclusion of the Geneva negotiations on a Comprehensive Nuclear Test Ban Treaty (CTBT).

The NPT has so far helped in a major way to keep the region free of further nuclear proliferation which would have been highly destabilising, added fuel to regional disputes and resulted most likely in a regional arms race. It has also been an important but often unacknowledged part of the stable security environment which has provided a foundation for decades of investment, economic

development, national consolidation and record level of growth.

The Challenge of North Korea

The security benefits of the Treaty for the region are however under challenge through the failure of the DPRK (North Korea) to fulfil its NPT safeguards obligations. Concerns about North Korea's nuclear intentions have reminded us all of what the consequences could be for the region if further proliferation occurred.

North Korea is only the second country, after Iraq, to have been found by the IAEA Board of Governors to be in non-compliance - in effect, in violation - of its safeguards obligations. There are two dimensions to the North Korea nuclear issue which concern us: first, that a nuclear armed North Korea would represent a very serious security threat to the region; and secondly, that confidence in the non-proliferation regime could be undermined and other renegade states could follow the same clandestine weapons development path.

For the moment, the situation is worrying, but not at crisis point. There are some positive signs that further IAEA inspections will go ahead, that dialogue between the United States and the DPRK will be resumed and that a resolution will be found. But we cannot yet be certain that any of these things will happen.

For the North Koreans, the choice is a simple one. The DPRK can remain in the NPT and accept the disciplines of the Treaty, including full IAEA safeguards; it can join, as an equal and respected partner, in the benefits of regional economic and political activity including peaceful nuclear cooperation; and it can derive the same security benefits as we all do from the NPT. This is clearly the course that Australia is urging on North Korea. Or it can continue with its nuclear activities in violation of its Treaty obligations, and face not only international censure but in time - a package of severe and damaging sanctions.

The Need for Universality

There is still a refrain from some quarters that the NPT is flawed: that it is discriminatory in the balance of obligations that it places on nuclear weapons states and non-nuclear weapons states respectively. We and 162 other countries

accept that a serious attempt had to be made to prevent further nuclear proliferation. That meant accepting the reality of five nuclear weapon states in 1968, but working over time to achieve an end to the nuclear arms race, and eventually an end to the need for different treatment under the NPT of nuclear and non-nuclear weapon states - ensuring meanwhile that there was an obligation on the more developed nuclear states to share their knowledge about peaceful nuclear applications. For Australia, that was an eminently sensible approach, and it is one which remains valid today. This does not mean we are prepared to accept the different treatment for all time. Article VI of the NPT means what it says: eventual nuclear disarmament.

There are a few states which have steadfastly remained outside the Treaty while operating unsafeguarded nuclear facilities- notably Israel, India and Pakistan. It must be said frankly that these states cannot attribute responsibility to anyone but themselves for the suspicions their actions have raised about their nuclear status, and the difficulties they face in obtaining nuclear cooperation from other countries. Regrettably, they have yet to make the political judgment now made by so many other governments - including most recently South Africa, Argentina and Brazil - that having nuclear weapons would diminish, rather than enhance, their national security.

Whilst there remains a pressing need to address the particular security concerns of those outside the Treaty, their reluctance to embrace the NPT on the grounds of its so-called discriminating impact remain quite unpersuasive: the more so in view of the historic decisions of recent years by the United States and Russia on significant reductions in their nuclear arsenals, and the momentum now building among the nuclear weapons states for further key steps. All five nuclear weapons states are supporting the negotiations in Geneva for a CTBT. They have also joined an international consensus in favour of negotiations on a "cut-off" Convention (banning future production of fissile material for weapons purposes). The United States and Russia have taken initiatives to place excess fissile material in former military use under safeguards. These important steps should have disarmed those NPT critics who protest that the nuclear weapons states have not lived up to their side of the NPT bargain.

Australia's Contribution to the Peaceful Uses of Nuclear Science and Technology

Article IV of the NPT concerns international cooperation in the peaceful uses of nuclear energy. Australia contributes to regional and international nuclear

cooperation in keeping with its position as a country not pursuing nuclear power for domestic purposes, but one which recognises the rights of all countries to make their own decisions about their energy mix.

As an active supporter of the IAEA, Australia strives to meet in full and on time its assessed voluntary contribution to the Technical Assistance Cooperation Fund of the Agency: in 1993 we paid \$A1.2 million to this Fund. Australia works closely with its regional partners in the IAEA Regional Co-operative Agreement for Asia and the Pacific (the RCA), comprising 15 member states, and it is pleasing to note the extent that development objectives of countries in the region have been enhanced by RCA activities. We are currently providing funds and expertise for activities which are organised under the umbrella of the RCA/UNDP project on applications of isotope and radiation technology to regional development, with special reference to industry and nuclear medicine. Australia is proud of the contribution it is making to industrial radiation protection through the application of distance learning techniques in regional countries. And we also have a long history of involvement in the region in the field of nuclear medicine.

An important aspect of the peaceful uses of nuclear technology, and one which justifiably concerns governments and their citizens alike, is the safe management of nuclear waste. Australia has been working for some years now on the development of SYNROC for high-level nuclear waste immobilisation, with ANSTO reporting good progress in aspects of its research and international collaboration program.

Another facet of Australia's international cooperation in the peaceful uses of nuclear technology occurs through our involvement in the International Conference on Nuclear Cooperation in Asia which was launched by Japan in 1990 and which comprises eight regional countries. This relatively new regional grouping is facilitating work on research reactor utilisation, agricultural uses of radiation and radioisotopes, medical uses of radiation and radioisotopes, public acceptance and nuclear safety.

Australia is also a major world source of uranium, holding approximately 25 per cent of world reserves (insofar as these can be estimated with uncertain data from some countries, mainly the former Soviet Union), and significantly, 37 per cent of low-cost reserves in what was formerly called the Western world. In 1993, Australia's yellow cake production of 2,700 tonnes, which amounted to 10 per cent of Western production, supplied 5 per cent of Western reactor requirements.

Government and industry work together to identify potential uranium export market opportunities by analysing the impact of nuclear fuel cycle developments on demand for Australian uranium exports. Where significant market opportunities can be identified, and a customer country meets our stringent safeguards requirements, our practice has been, and will continue to be, to negotiate a bilateral nuclear safeguards agreement to enable Australian uranium sales to that country.

Adherence to the NPT is a basic requirement for access by non-nuclear weapon states to Australian uranium. And in all other areas of nuclear cooperation, Australia practices a policy of preference for NPT parties. Regional countries party to the NPT have clearly benefited from this policy: the Pacific Basin region accounts for more than half of our country's uranium exports, with Japan and the Republic of Korea being two of our biggest customers.

Future prospects and challenges

Nuclear technology presents regional governments and industry with a series of challenges as we approach the 21st Century, which is likely to see a continued growth in the use of this technology for social and economic development. Governments and industry have to address continuing - and legitimate - concerns about potential nuclear proliferation risks associated with some nuclear programs; concerns about nuclear testing; concerns about the safe operation of nuclear reactors; concerns about the transport of sensitive nuclear materials; and concerns about the management of nuclear waste.

In so doing, international and domestic mechanisms to control and manage peaceful nuclear programs must be strictly applied and, where possible, improved. Human resource development to produce highly trained personnel must be a central element for government and industry. And countries must also be as transparent as possible about their nuclear programs. The transparency provided by IAEA inspections is absolutely vital, and this can and should be enhanced by national willingness to explain nuclear programs: for example, it is important that Japan continue to provide information about its civil plutonium program.

In tackling these challenges Pacific Basin countries need to ensure that the existing non-proliferation framework is maintained and strengthened. This is a challenge of continuous improvement. It means support for ongoing efforts in Vienna since the Gulf War to improve the efficiency and effectiveness of IAEA safeguards. It means support for and widespread application of effective nuclear export controls.

And, most importantly, it means support for the smooth and indefinite extension of the NPT in 1995. In this context I would ask you to consider very carefully indeed what the impact of less than indefinite extension would mean for the security interests of countries of this region, for their interest in peaceful nuclear cooperation at a time when the nuclear industry in the region is expanding, and on the environment for future disarmament negotiations.

Pacific Basin countries also need to support new and additional measures to strengthen the wider non-proliferation, security and safety framework in which peaceful nuclear development, trade and cooperation can continue to take place. Important negotiations are taking place in Vienna on new conventions on nuclear safety and nuclear liability which will extend the current international arrangements in these areas.

The 1995 NPT Review and Extension Conference provides an important opportunity to strengthen the regime and endorse new measures. In terms of peaceful nuclear cooperation, we would like to see the Conference strongly endorse the concept of preference in nuclear cooperation for NPT parties, and finally and formally establish the standard of <u>fullscope</u> IAEA safeguards as a necessary condition for the supply of nuclear items to non-nuclear weapon states.

A lot of other good work is under way. The non-proliferation and disarmament agenda is advancing with regional efforts to develop a South East Asia Nuclear Free Zone, with negotiations taking place in Geneva on a Comprehensive Test Ban Treaty and with initial discussion underway in Geneva on an international convention to prohibit the production of fissile material for weapons purposes. I would urge countries here today to lend their strong support for the early conclusion of these treaties.

And I would also urge you to support international efforts to resolve the DPRK nuclear issue and to encourage those countries which remain outside the international non-proliferation regime to reconsider the benefits of joining it. The

message must be clear and it must be unambiguous: in the post-Cold War environment, more than ever before, there is no political, security or economic benefit - or enhanced international standing - to be gained by acquiring nuclear weapons, whether declared or undeclared.

The process of strengthening and better implementing the non-proliferation regime is a continuous and changing one. It is a broad agenda which must address, first and foremost, the interests and apprehensions of the peoples of the world. It must address the interests of all those - governments, citizens and industry - with a stake in nuclear non-proliferation, in disarmament, in safe and secure forms of peaceful nuclear cooperation, and in the institutions which serve these interests.

The NPT and IAEA safeguards offer the framework under which the international community can assure itself against nuclear proliferation, whilst developing the social and economic benefits to be gained from nuclear technology. Building on this base, we must work together to enhance international arrangements, particularly for nuclear safety; for strengthened safeguards; for an end to nuclear testing; and for the end of production of nuclear material for weapons.

It is in our common interest in this region, and it is in the world's common interest, to ensure that the bargain in the NPT is met by all parties; that peaceful nuclear cooperation takes place under the strictest non-proliferation and safety assurances; that progress on disarmament continues; and, above all, that there is an end, once and for all, to nuclear weapons proliferation.

* * * *

General Chairman of the Conference, Sir Rupert Myers

I know all delegates will share my disappointment that Dr Hans Blix, Director General of the International Atomic Energy Agency has not been able to attend. However I am very pleased to welcome in his stead Dr Pellaud, Deputy Director General. I would also like to extend a warm personal welcome to Mr Mikhaylov, Minister of Atomic Energy in the Russian Federation, Mr Murata, President of the Pacific Nuclear Council and Commissioner Selin, Chairman of the United States Nuclear Regulatory Commission and all the very many distinguished international and national participants who are gathered here today.

It is a great honour for Australia to be hosting this important conference in Sydney. I hope all of you will have ample opportunity to see something of this city of which we are so proud and which will host the Olympic Games in the year 2000.