INTERNATIONAL URANIUM ENRICHMENT CENTER:
guaranteed NFC services and LEU reserve management

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IUEC PREREQUISITES

SUPPLIES SECURED AT THREE LEVELS FOR NPP OPERATORS

1 - existing sales market
2 - joint guarantees by suppliers upheld by State/IAEA commitments
3 – reserve stocks of LEU for fuel fabrication – «fuel banks»

Any operator should be confident that fuel supplies are secured throughout its NPP operation period if it doesn’t have respective technologies and capacities to produce the fuel.

Guarantees of supplies upheld by commitments of the State (IAEA)

Role of the IAEA: to define criteria and mechanisms of NM supplies to countries which need it.
The initiative of the President of the Russian Federation was voiced at the EurAsEC Summit (25 January 2006, St. Petersburg)

«We need to create the prototype of a global infrastructure that will give all interested countries equal access to nuclear energy... The key element of such an infrastructure should be an international centers network under the IAEA control for the provision of nuclear cycle services, including uranium enrichment.»

OBJECTIVES OF THE INITIATIVE:

- To increase the role of nuclear power in ensuring the global energy security,
- To develop the global nuclear energy infrastructure via the establishment of an international NFC centers network,
- To provide the non-discriminatory and guaranteed access to NFC products and services for states that are developing nuclear power,
- To reduce the threat of nuclear proliferation.
Main goal of IUEC is to ensure secured supplies of the products primarily (but not exclusively) to the IUEC-participating organizations from the states sharing the goals and objectives of the Agreement.

- **Russian Federation**: ROSATOM (50%+1)
- **Republic of Kazakhstan**: NAC Kazatomprom (10%)
- **Ukraine**: State Concern Nuclear Fuel (10%)
- **Republic of Armenia**: Armenian NPP company (10%)
- **Shares for new IUEC members** (20%-1)

**Timeline**:
- 2007: Set up of Russia-Kazakhstan venture
- 2010: Ascension of Ukraine
- 2012: Ascension of Armenia
KEY ACTIVITY AREAS

INTERNATIONAL URANIUM ENRICHMENT CENTER (IUEC)

GUARANTEED SUPPLIES

GUARANTEED RESERVE OF LEU

(IUEC facility designated by the Agency and has been under the IAEA safeguards since 1 July 2010)
Guaranteed Supply: secure supplies of products and services guaranteed by the Government of the Russian Federation increase the energy security of participating countries.

Diversification of supplies: ensuring diversification of supplies and optimum logistics through the use of enrichment capacities of four Russian enrichment combines.

Shareholding: all rights of a joint stock company shareholder according to the Russian legislation.

Strengthening of nonproliferation regime: participation in an international project aimed at reducing risks of sensitive technology proliferation.

BENEFITS OF PARTICIPATING IN THE IUEC:
29 March 2010, IAEA, Vienna
The Agreement between the Russian Federation and the IAEA concerning the establishment of a physical reserve of LEU in the Russian Federation and its supply therefrom to the IAEA for its Member States was signed in the IAEA Headquarters.

In parallel, the Contract between JSC IUEC and the IAEA was signed, under which JSC IUEC is to supply low enriched uranium from the guaranteed reserve to the IAEA.
Guaranteed reserve of low enriched uranium (LEU) in Angarsk is a secure supplies mechanism for the IAEA Member States to which the supplies are terminated due to technical or commercial reasons.

- The Fuel bank consists of more than 120 tU of LEU in the form of UF6 with an enrichment of 2.00% to 4.95%.
- The Reserve has been established and is maintained at the expense of the Russian Federation.
- The Reserve is maintained at the IUEC facility being under the IAEA safeguards.
- The decision to release the material from the LEU Reserve is made by the IAEA Director General.
- The price of LEU from the reserve is based on spot market quotations published by internationally recognized companies.
- The IUEC provides for the LEU Reserve storage, maintenance and sales of LEU to the IAEA from the Reserve.
The IUEC storage facility housing the Guaranteed LEU reserve is subject to regular inspections by the IAEA.
Events in Japan at systematic increase of the safety predetermined objective need of further development of world nuclear power.

World nuclear power development prospects

- **North America**
- **Western Europe**
- **Asia, SEA**
- **Africa, Middle East**
- **Japan**

- Countries which operate NPPs and plan to develop nuclear power in future
- Countries which have confirmed their intent to develop nuclear power in future
- Countries which plan for phasing out nuclear power in future or declared abandonment of earlier adopted programs
The safety enhancement of nuclear facilities across the world is an important factor in the development of world nuclear power. The IUEC provides services to Russian NFC enterprises, whose reliability has been confirmed by an accident-free operation for an extended period.

The financial and economic aspect is equally important, as membership in the IUEC allows the center's shareholder-state to avoid the costs associated with the development of its own NFC technologies and productions.
Thank you for attention!

IUEC
International Uranium Enrichment Center