

IUEC

International Uranium
Enrichment Center

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

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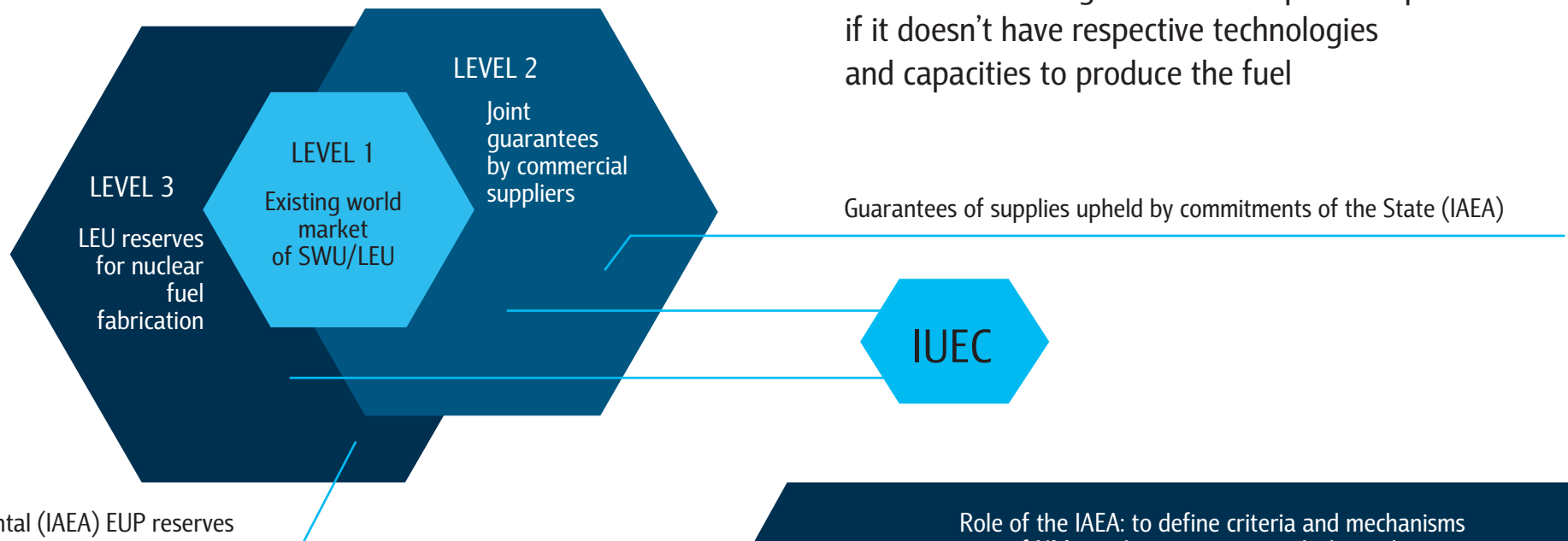
IUEC PREREQUISITES

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

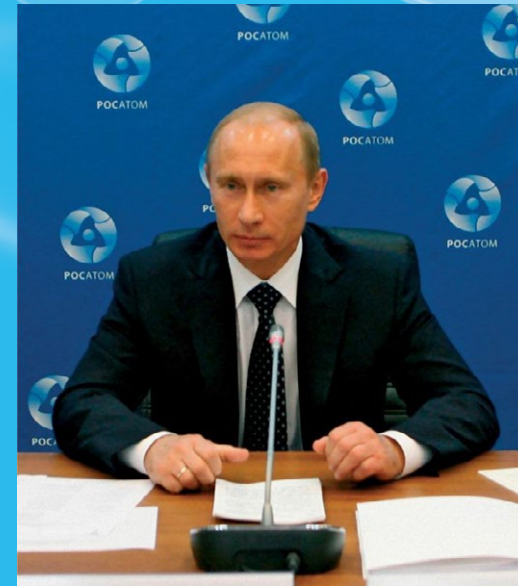


Role of the IAEA: to define criteria and mechanisms of NM supplies to countries which need it

IUEC: RUSSIAN PRESIDENT'S INITIATIVE

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.»

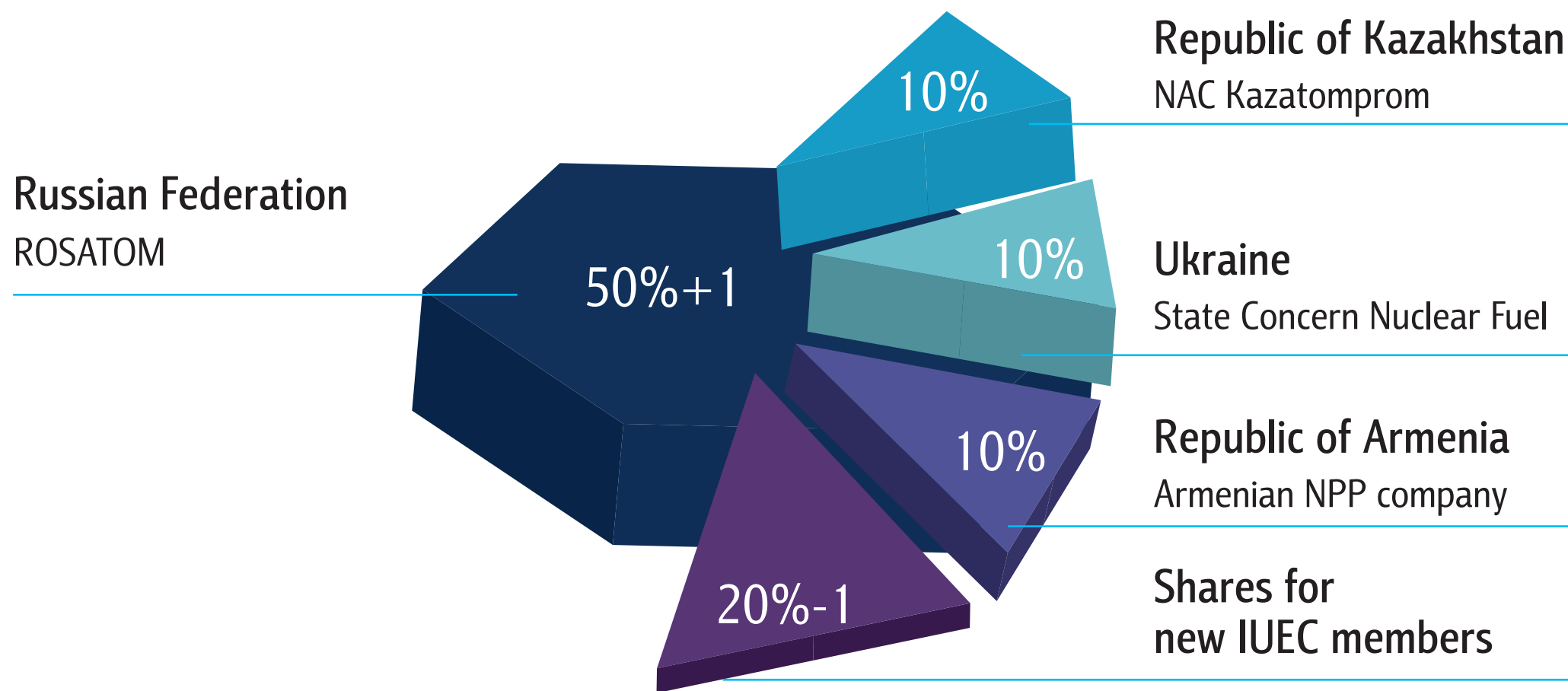


OBJECTIVES OF THE INITIATIVE:

- 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.

IUEC CORPORATE STRUCTURE

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.



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

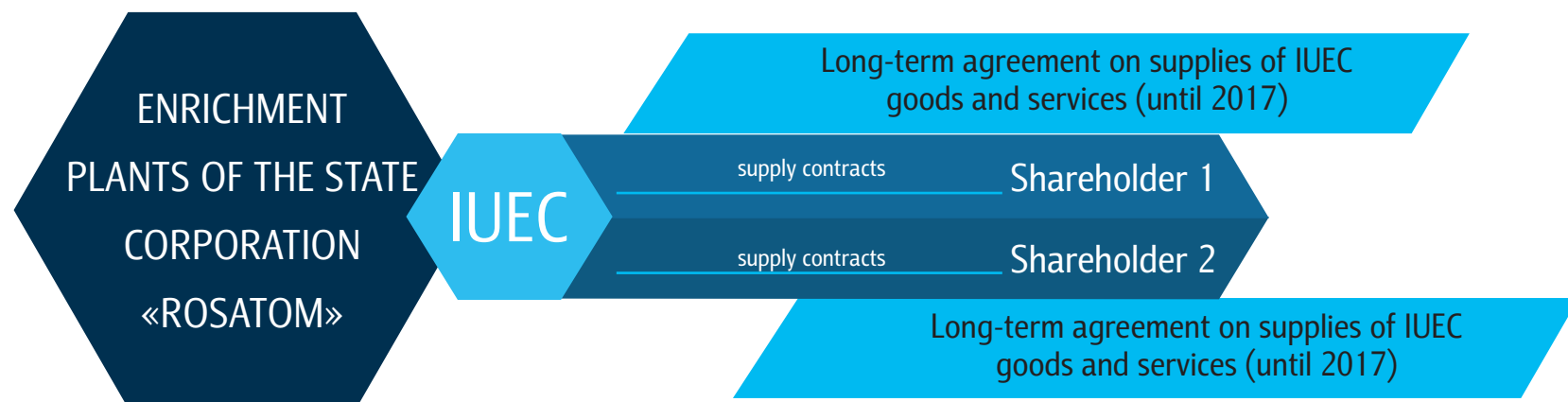


(IUEC facility designated by the Agency and has been under the IAEA safeguards since 1 July 2010)

IUEC SITE



SECURE SUPPLIES MECHANISM



BENEFITS OF PARTICIPATING IN THE IUEC:

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

GUARANTEED LEU RESERVE (FUEL BANK)

29 March 2010, IAEA, Vienna

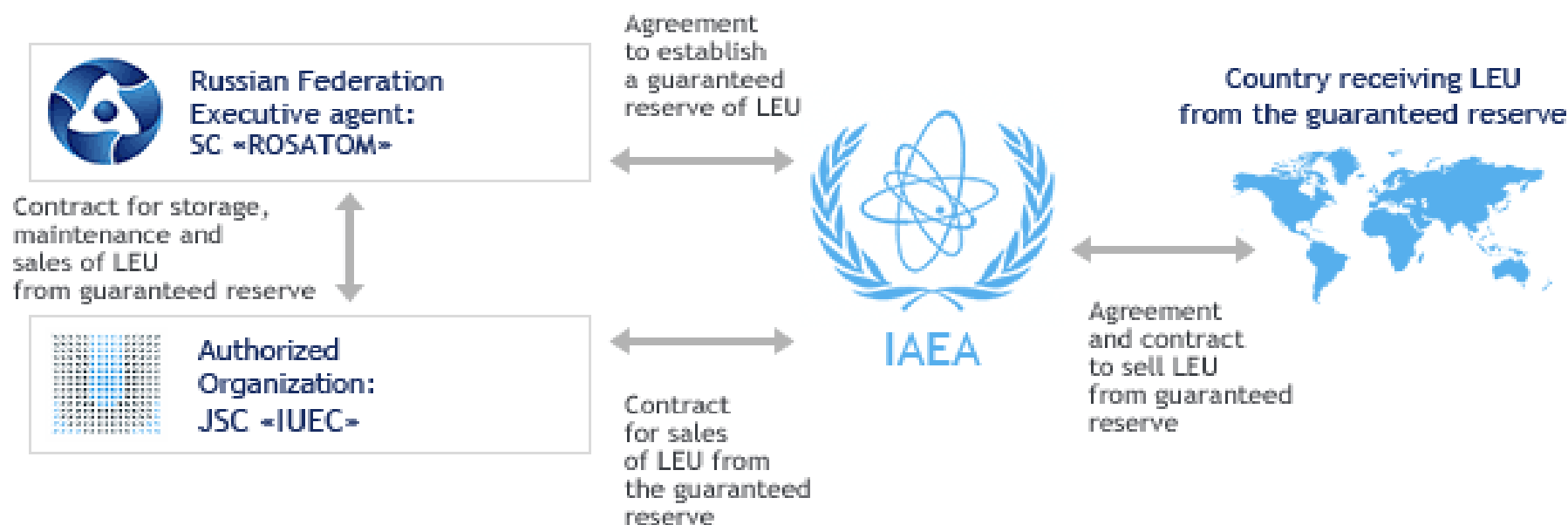
The Agreement between the Russian Federation and the IAEA concerning the establishment of a physical reserve of LEU in the Russian Federation and its supply therefrom to the IAEA for its Member States was signed in the IAEA Headquarters.

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 LEU RESERVE (FUEL BANK)

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.

LEU RESERVE (FUEL BANK) IN ANGARSK

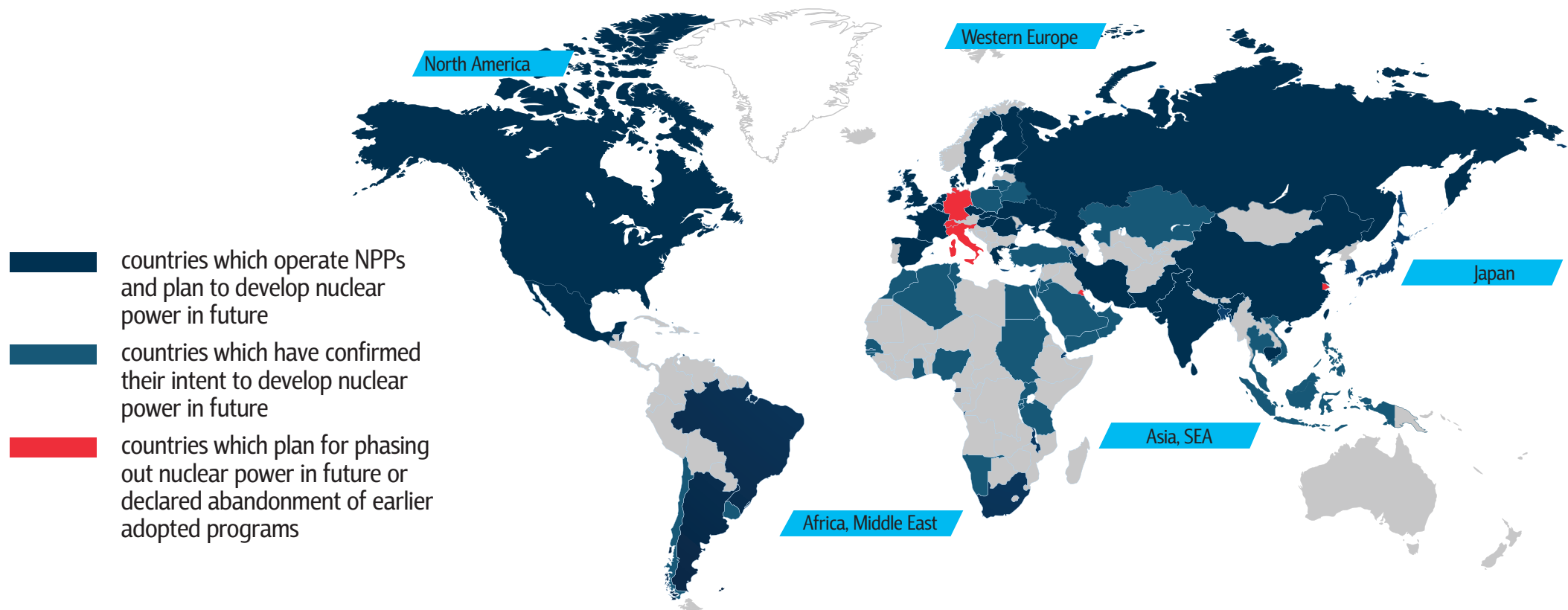
The IUEC storage facility housing the Guaranteed LEU reserve is subject to regular inspections by the IAEA



IUEC DEVELOPMENT PROSPECTS

Events in Japan at systematic increase of the safety predetermined objective need of further development of world nuclear power.

World nuclear power development prospects



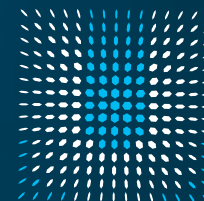
The safety enhancement of nuclear facilities across the world is important factor of the world nuclear power development.

The IUEC renders services of the Russian NFC enterprises, which high reliability has been confirmed by longstanding accident free operation.

The financial and economic aspect is equally important, since through the membership in the IUEC the center's shareholder-state doesn't bear the costs associated with development of own NFC technologies and productions.



Thank you for
attention!



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