

Address of Director General of State Corporation ROSATOM Mr. Sergey Kirienko
to the Plenary meeting of the 59-th Session of the
IAEA General Conference

Dear Mr. President,

Please accept congratulations on electing you the President of the 59-th Session of the IAEA General Conference. You can count on full support of the Russian delegation.

We welcome the new members of the Agency – Antigua and Barbuda, Barbados and Turkmenistan.

1. In June this year, President of the Russian Federation Vladimir Putin during the meeting with IAEA Director General Dr. Yukiya Amano on the margins of St.Petersburg International Economic Forum confirmed Russia's indisputable commitment to strict compliance with all the obligations in relation to non-proliferation, and working closely with the IAEA.

Our firm belief, which is confirmed by long-term operational experience, is the following: nuclear power is the strategic area with long life-cycles, where ensuring safety is the top priority. It cannot and should not depend on situational fluctuations of political conjuncture.

In this context it is very important for the IAEA to maintain professional nature of its activities.

2. As is generally known, the USSR (Russian Federation) stood at the origins of establishing the Agency, and since then our fundamental attitude has not changed – we are ready to further support the IAEA activities and we support it with practical steps.

Despite the difficult economic situation, Russia has maintained its financial contribution to all the directions of the IAEA activities. As of today, our extra-budgetary annual contribution is integrally comparable to the compulsory payment to the IAEA budget.

An overriding decision has been taken to continue contributing to the IAEA Nuclear Security Fund in 2016-2021. We have more than doubled federal budget means allocated for the implementation of Russian Safeguards Support Programme. We are gradually increasing our contributions to the Technical Cooperation Fund.

In the course of the past 15 years already we have ensured the implementation and financial support of the INPRO project initiated by the Russian Federation, the number of the participants of which has exceeded 40 countries.

We welcome the Agreement on Establishing the IAEA Low Enriched Uranium Bank signed between the IAEA and Kazakhstan. To support the project we signed the Transit Agreement with the IAEA last summer. Both agreements are in line with the development of the initiatives in assuring guaranteed supplies of nuclear fuel, which were first implemented in Russia. We support the LEU guaranteed physical stock on the site of the IUEC in Angarsk in constantly-ready status.

At the request of the diplomatic corps in Vienna we have continued the tradition of organizing visits to nuclear power facilities by the Ambassadors accredited to the IAEA. We consider these visits as the support of the IAEA Statute activity in the area of transparency and exchange of information on peaceful uses of atomic energy. In July, 2015 we carried out a technical tour to the city of Volgodonsk – to Rostov NPP and ATOMMASH, which is one of the world's largest enterprises in nuclear mechanical engineering. Such a route gave the Ambassadors the opportunity to see on the same site Unit 3, which is already commissioned, and Unit 4 under construction with Russian VVER reactors.

3. Mr. President,

Russia adheres to all of its international commitments. We work with all the countries under strict observation of the requirements of nuclear non-proliferation and nuclear safety. We will continue this line henceforth and we count that other countries approach the issues of nuclear energy development fully aware of their responsibility.

Specifically I would like to underline close cooperation with the IAEA Secretariat in the enhancement of the IAEA safeguards system. The development of the IAEA safeguards is one of our political priorities. It is essentially important to us that the IAEA safeguards are implemented on a non-discriminatory basis, unbiasedly, with the application of objective criteria and that they are based on the decisions of the IAEA governing bodies.

We consider the completion of the preparation of the IAEA report on the accident at “Fukushima-1” NPP as a milestone event of the year. Russian experts actively participated in the development of the document. The report will allow us to finally turn over the mournful page in the history of world nuclear power.

Among the key events I will note adopting of the Joint Comprehensive Plan of Action (JCPOA) on the Settlement of the Situation around the Iranian Nuclear Problem, as well

as the Roadmap between the IAEA and the Islamic Republic of Iran to clarify the past and the current outstanding issues on the nuclear programme of Iran. In this relation the IAEA is entrusted with huge responsibility.

For our part we immediately proceeded to working out practical issues contained in the JCPOA. We have already carried out large-scale preparatory work. We are working closely with our Iranian colleagues to develop the engineering design for the reconfiguration of the facility in Fordo for the production of stable isotopes. The Russian side will fulfill all of its obligations within the JCPOA framework.

4. Mr. President,

The present General Conference is taking place in a remarkable year. This year we celebrate the 70-th anniversary of the Russian national atomic industry.

From historic retrospective 70 years is just a little time. But during these years cardinal changes have occurred, and one can hardly overestimate the impact of the world nuclear power on the entire world economy, on the development of the contemporary way of people's life. During these years nuclear power has experienced not only sweeping rises but crises as well. However, the development always recommenced. And that is happening right now. Nuclear power has not simply returned to the state prior to 2011 – it is developing and changing. And today it is a new market, a new situation and new opportunities. And we are trying to pursue our work within the logic of this market.

Firstly, it is obvious, that the focus to ensure safety has increased. This conclusion is evident today, and it is a matter of priority. Late last year Unit 1 of Kudankulam NPP was handed over to our Indian colleagues for the guaranteed operation. The unit complies with the most modern, so-called “post-Fukushima” safety requirements.

Secondly, it is the evident extension of life cycles of nuclear power facilities. New materials and new technological solutions are emerging. The life cycle of any nuclear power industry facility has considerably extended. For example, the operational life of Hanhikivi NPP, which we are currently constructing in Finland, is designed to last at least till 2084, after which it may be extended, which means, that considering the decommissioning period, the overall life span of the project is no less than a century.

Thirdly, the geography of nuclear power development has changed, which is confirmed by the IAEA official forecasts. From western countries the centers of nuclear power development are shifting to the developing countries of Asia, the Middle East and Latin America. Countries of these regions make their choices in favour of nuclear power generation, which implies special responsibility for vendor countries that have to ensure access to the benefits of atomic energy not only for themselves, but also for new-comers

that only start developing nuclear power. We take full account of the responsibility that Russia bears. As of today, our portfolio of contracts includes 23 nuclear power units in 10 partner countries.

The forth change – is the appearance of the universally recognized end-product in nuclear power, which is the cost of a kilowatt-hour of generated electricity. Many more aspects are, thus, included in the agenda of negotiations. This is not only the cost of the equipment, design solutions, infrastructure, but it is also the cost of maintenance, serviceability, fuel supply, decommissioning and nuclear waste management technologies. It is in this logic that we negotiate not only in accordance with the “build-own-operate” approach as it is implemented in Turkey for the first time, but on EPC-contracts as well.

Fifthly – we observe broadening of requirements among the countries-newcomers in nuclear power. It is known that establishing nuclear generating facilities in a country that never dealt with it before, results in a large-scale cumulative effect to the economy in general, to the technical and social state of the country.

From the moment of taking the decision it is important to choose the proper strategy of the nuclear infrastructure development in the country. This is one of our priorities, and we pursue this work in compliance with all the IAEA requirements.

Thus, our Egyptian colleagues do the right thing that even now, at the stage of preparing basic documents for the construction of the NPP, they established direct dialogue with the Russian regulator, and they directly elaborate issues of legal infrastructure.

5. Realizing our full responsibility in relations to these challenges, we specially develop our national infrastructure satisfying not only Russian domestic needs, but we also fulfill the obligations to our partners.

We have established a dedicated engineering division to manage the design and construction of NPPs. Last year alone this division commissioned three power units.

We have integrated some 30 production enterprises in a single cluster, which produce main and auxiliary power machinery. Our manufacturing capacities allow producing up to seven sets of reactor equipment a year.

In our foreign projects we actively maximize localization of the production, realizing how important it is for all the partner countries. In particular, in the projects in Belarus and Turkey the share of local contractors in civil engineering works may amount to 80 percent. There is large-scale localization at the construction of the second series of the Tianwan NPP in China as well.

We are well aware that modern international projects in nuclear power demand adequate and comfortable financing, and the solution to the problem is within the responsibility of both the customer and the contractor. We offer various forms of financial support. We work both with governmental and intergovernmental institutions, as well as private institutional investors.

For the purpose of long-term and safe operation of NPPs, we have developed a new project management system, which allows both optimizing management and accumulating knowledge and information at all the stages of the project implementation, including decommissioning. Most importantly, such technologies allow the customer to have real control over the construction process ensuring transparency and supervision of all the operations from the very early stages of the project.

One can get acquainted with Russian technologies in lifecycle management in more detail during the Russian side event and at a special Exposition, where one can take a virtual tour to nuclear power facilities. I invite you to visit both events.

We pay priority attention to fundamental and applied scientific research, because this is the only way to lay a foundation of the innovative development of nuclear technologies for the mid- and long-term perspective. Two years ago from this tribune I announced launching the project of the Multipurpose Fast-Neutron Research Reactor (MBIR), that we suggested the establishment of the International Research Center on its basis. Now I am happy to say that on September 11, 2015 “the first concrete” was poured to create this research reactor. We count that when commissioned in 2019, MBIR reactor will become an international unique facility in its technical and economic parameters and research capacities.

6. Mr. President,

In conclusion I would like to note that nuclear power industry is traditionally one of the most dynamically developing industries in Russia and worldwide, and it constantly requires qualified personnel. Therefore, we put emphasis on human resources development. Only this way backlog for future leadership can be created. Last academic year Russian specialized universities enrolled more than 700 foreign students from 11 countries. We are happy that this academic year they will be even more numerous. We are pleased that the competition is up to 80 candidates per one vacancy.

In Russia an integrated system of personnel training has been established, which includes school, university and supplementary professional training.

We create communicational environment for the formation and development of creative thinking and technological culture of safe and efficient production. In July this year we held the jubilee Annual International Forum of Young Power Engineers and Industrialists entitled “Forsage-2015”, which was visited by more than 800 participants from 7 countries. For five years in a row the Forum has provided on its site a unique platform for inter-corporate and inter-industrial communication and exchange of experience among university students, young specialists and best Russian experts.

Most importantly, our model of human potential development comprises the long-term life cycle of NPPs and other nuclear power enterprises. We are introducing this model in our country and it those that follow the path of setting up and expanding nuclear power with us. We wish to do this within the framework of open international cooperation with the leading role of the IAEA.

Thank you for your attention.