



# KAZAKHSTAN

# IAEA LOW ENRICHED URANIUM BANK

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# THE IAEA LOW ENRICHED URANIUM (LEU) BANK

## OSKEMEN





# IAEA LEU BANK

- reserve of LEU
- owned and controlled by the IAEA
- mechanism of last resort for Member States in case the supply of LEU to a nuclear power plant is disrupted due to exceptional circumstances and the Member State is unable to secure LEU from the commercial market or by any other means.
- located at the Ulba Metallurgical Plant in Oskemen, Kazakhstan and will be under the responsibility of the appropriate authorities for safety, security and safeguards in Kazakhstan.
- LEU Bank will be a physical reserve of up to 90 metric tons of low enriched uranium suitable to make fuel for a typical light water reactor, the most widely used type of nuclear power reactor worldwide. The LEU can be used to make enough nuclear fuel to power a large city for three years.
- reserve of LEU maintained by the Russian Federation at the International Uranium Enrichment Centre in Angarsk, Russia, and an assurance of supply guaranty for supplies of LEU enrichment services in the United Kingdom. The United States also operates its own LEU reserve.



# DONORS / FUNDING

## LEU BANK

- European Union: €24.4 million
- Kuwait: US \$10 million
- Norway: US \$5 million
- United Arab Emirates: US \$10 million
- United States: US \$49 million
- Nuclear Threat Initiative: US \$50 million
- Kazakhstan: US \$400,000 plus in-kind contributions



# AGREEMENT REGARDING THE ESTABLISHMENT OF THE LOW ENRICHED URANIUM BANK OF IAEA IN THE REPUBLIC OF KAZAKHSTAN

- The Board of Governors approved the Agreement on 11 June 2015
- signed on 27 August 2015 in Astana, Kazakhstan
- entered into force on 31 January 2017, the date of the receipt of the last written notification through diplomatic channels of the fulfilment by the Parties of the procedures



# PREAMBLE

- IAEA is authorized to encourage and assist in the development and practical application of atomic energy for peaceful purposes
- Kazakhstan wishes to support the IAEA's efforts in this regard and in this connection expressed interest in being the Host State for the IAEA LEU Bank
- Republic of Kazakhstan is a party to the Agreement on the Privileges and Immunities of the International Atomic Energy Agency
- the Agreement between the Republic of Kazakhstan and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons (hereinafter referred to as the "Safeguards Agreement") was signed on 26 July 1994
- Kazakhstan is a party to the Vienna Convention on Civil Liability for Nuclear Damage



# COSTS SHARING

## IAEA:

- purchase of LEU, equipment, facilities and any other goods and services
- delivery of LEU to and from storage
- overhead costs
- fees, duties and taxes
- relocation in and outside of KZ at its request

## KAZAKHSTAN:

- storage of LEU
- compliance with legislation
- relocation in and outside of KZ at its request
- implementation of safeguards responsibilities



## INVIOLABILITY

- Kazakhstan shall make available to the IAEA a Facility Operator (Ulba Metallurgical Plant) licenced under the legislation of Kazakhstan to provide services for the functioning of the IAEA LEU Bank
- Listed individuals shall at all times have unhindered access to the IAEA LEU Bank, the IAEA LEU Storage Facility, the IAEA property, the archives of the IAEA
- The IAEA and IAEA property, wherever located and by whomsoever held, shall enjoy immunity from every form of legal process except in so far as in any particular case the IAEA has expressly waived its immunity, it being understood that no waiver of immunity shall extend to any measure of execution
- IAEA property, wherever located and by whomsoever held, shall enjoy immunity from search, requisition, confiscation, expropriation and any other form of interference, whether by executive, administrative, judicial or legislative action.
- The IAEA LEU Bank, the IAEA LEU and the IAEA Representative Office shall be **inviolable**. No representative of Kazakhstan or of the Facility Operator, or any other person, shall access the IAEA LEU Bank, the IAEA LEU or enter the IAEA Representative Office to perform any activities therein except with the consent of, and under conditions agreed by, the Director General.



## INVIOLABILITY

- The service of legal process, including the seizure of private property, shall not take place within the IAEA Representative Office, except with the express consent of, and under conditions approved by, the Director General
- The IAEA shall prevent the IAEA Representative Office from being used as a refuge by persons who are avoiding arrest under the legislation of Kazakhstan, who are required by Kazakhstan for extradition to another country or who are endeavouring to avoid service of legal process.



# FINANCIAL FACILITIES

## ARTICLE 5

IAEA may freely

- Hold funds, gold or currency of any kind and operate accounts in any currency; and
- Transfer its funds, gold or currency from one country to another or within any country and convert any currency held by it into any other currency.



# FREEDOM FROM TAXES, FEES, DUTIES, PROHIBITIONS AND RESTRICTIONS

## ARTICLE 6

- The IAEA and IAEA property shall be exempt from all forms of taxation EXCEPT for charges for public utility services
- The IAEA shall not be exempt from indirect taxes which constitute part of the cost of goods purchased by, or services rendered to, the IAEA and Kazakhstan shall reimburse the IAEA for value added tax
- The IAEA is exempted from all recording fees and State duties when making transactions and executing documents
- IAEA property shall be exempt from customs duties and fees, prohibitions and restrictions on imports and exports



# AVAILABILITY OF SERVICES AND FACILITIES

## ARTICLE 7

- services are supplied to the IAEA Representative Office at tariffs which shall not exceed the lowest comparable rates accorded to the State administration of Kazakhstan (electricity, water, sewerage, postal services, reliable continuous telephone and high-speed Internet connections, etc.)
- In case of any interruption of any such services, the appropriate authorities shall consider the needs of the IAEA as being of equal importance with those of essential governmental agencies of Kazakhstan



# COMMUNICATIONS AND TRANSPORTATION

## ARTICLE 8

- IAEA shall enjoy, as far as may be compatible with any international conventions, regulations and arrangements to which Kazakhstan is a party, for its official communications, treatment not less favourable than that accorded by Kazakhstan to any other organization or government, including diplomatic missions
- All official communications directed to the IAEA, or to any of its officials, and all outward official communications of the IAEA, by whatever means or in whatever form transmitted, shall be immune from censorship and from any other form of interception or interference with their privacy



# ENTRY AND EXIT

## ARTICLE 9

Kazakhstan shall take all necessary measures to facilitate the entry

a. Officials of the IAEA;

b. Officials of the United Nations or of any other organization brought into relationship with the IAEA pursuant to Article XVI.A of its Statute who have official business with the IAEA in relation to the IAEA LEU Bank; and

c. Experts, other than officials of the IAEA, performing missions for the IAEA LEU Bank authorized by the IAEA.

No preventing departure from the territory of the Republic of Kazakhstan or for requiring him/her to leave the territory of the Republic of Kazakhstan



# PRIVILEGES AND IMMUNITIES FOR IAEA OFFICIALS

## ARTICLE 10

- from legal process of any kind in respect of words spoken or written, and of acts performed by them in their official capacity
- from personal arrest or detention
- from inspection & seizure of their personal and official baggage
- Inviolability of all papers, documents
- exemption from taxation in respect of the salaries
- right to use codes
- same protection and repatriation facilities in times of international crisis as officials of comparable rank of diplomatic missions

If Kazakhstan considers that there has been an abuse of a privilege or immunity conferred by this Agreement, consultations shall be held



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# EMERGENCY PREPAREDNESS AND RESPONSE

## ARTICLE 15

- from Kazakhstan shall ensure the implementation, periodic review and update of appropriate on-site and off-site emergency response plans for dealing with the consequences of nuclear and radiological incidents and emergencies
- The emergency response plans shall be commensurate with the potential magnitude and nature of the hazards
- <https://www.iaea.org/newscenter/pressreleases/iaea-leu-bank-becomes-operational-with-delivery-of-low-enriched-uranium>





IAEA Director General Yukiya Amano speaks at the inauguration of the IAEA LEU Bank Storage Facility in Kazakhstan on 29 August 2017.