



**NSG Chair**  
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# Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons

Statement by H.E. Ambassador Rafael Mariano Grossi  
Chair of the Nuclear Suppliers Group

Main Committee II

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Delegation of the Argentine Republic**

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(New York, May, 2015)**

**Mr. Chairman,**

In my capacity as the current Chairman of the Nuclear Suppliers Group (NSG), comprising 48 Participating Governments, I would like to update you on the activities of the Group since the last Treaty on Non-Proliferation of Nuclear Weapons (NPT) Review Conference in 2010. Before I elaborate on recent developments, let me begin by reminding you of the important role the NSG plays in the international nuclear non-proliferation regime.

Article III.2 of the NPT requires its parties to apply safeguards on exports of nuclear equipment or material “especially designed or prepared” for the processing, use or production of special fissionable material to any non-nuclear-weapon states. Together with Articles I and II, it establishes the principle that nuclear exports should contribute to peaceful nuclear cooperation. While this article covers the exports of, for example, nuclear reactors, it does not cover technology, such as the design information explaining how to build a reactor. Nor does the article cover the exports of nuclear-related dual-use equipment and technology which can also be used to develop a nuclear weapon.

As a group of responsible nuclear supplier countries that seeks to contribute to the non-proliferation of nuclear weapons, the NSG’s *raison d’être* is to reinforce the objective of Article III.2, by implementing and promoting its guidelines. The NSG Guidelines were first published in 1978, when the NSG agreed to incorporate a Trigger List elaborated by the Zangger Committee to clarify the “equipment or material especially designed or prepared for” covered under Article III.2. The NSG also decided to incorporate in its scope not only equipment or material but also technology. The NSG later added dual-use items and technology, including non-fuel cycle items related to nuclear weapon development and testing, following the revelation of clandestine nuclear procurement efforts undertaken by a non-nuclear-weapon State to acquire dual-use items not covered by the Trigger List.

The NSG Guidelines are in constant evolution to reflect developments in technology, in order to ensure that nuclear trade for peaceful purposes does not contribute to the proliferation of nuclear weapons or other nuclear explosive devices. The effective and comprehensive implementation of the NSG Guidelines and control lists constitute the core of the Group’s credibility. The Guidelines and their Annexes are published as IAEA Information Circular 254 Part 1 and Part 2 and have been revised 21 times since their initial publication.

**Mr. Chairman,**

Action 36 of the Final Document of the 2010 NPT Review Conference stipulates that “the Conference encourages State parties to make use of multilaterally negotiated and agreed guidelines and understandings in developing their own national export controls.” I commend the increasing number of States outside the NSG that have harmonised their domestic legislation with the NSG Guidelines.. The NSG Guidelines also complement Operative Paragraph 3 of United Nations Security Council Resolution 1540 on the Non-proliferation of Weapons of Mass Destruction “that all States shall take and enforce effective measures to establish domestic controls to prevent the proliferation of nuclear [...] weapons, including by establishing appropriate controls over related materials [...]”. A number of NPT Member States outside the NSG have chosen to use the Guidelines as a legally-binding instrument at a national level. The Group expects more States to join such efforts to facilitate peaceful nuclear cooperation in the international non-proliferation regime.

The NSG Guidelines are recognised not only in the area of export control but also in a variety of other non-proliferation areas. For example, the Guidelines have been used in bilateral nuclear agreements by many countries to identify the scope of these agreements and have been referenced in the IAEA's Model Additional Protocol to broaden the scope of IAEA Safeguards.\* I welcome the wider application of our Guidelines to strengthen the nuclear non-proliferation regime globally.

**Mr. Chairman,**

Facilitating legitimate international trade and cooperation in the nuclear field, in a manner consistent with the nuclear non-proliferation norms, is particularly important to the NSG. While stressing that effective export controls have become ever more important for non-proliferation causes, I would like equally to emphasize that robust export controls have a positive effect in promoting and enabling legitimate trade and investment. In our experience of outreach to countries outside the NSG, we have witnessed a change in the conversation that we have been having. Whereas some countries asked "why" export controls are necessary several decades ago, the question now is "how" to implement, improve and maintain effective export controls and non-proliferation policy. This shift of focus is a source of great encouragement for the Group.

Over the last few decades, the NSG has made concerted efforts to promote openness and transparency to dispel the misperception that the NSG is a nuclear cartel or a closed group based on parameters of exclusion or exclusivity. Back in 1996, when the NSG's Plenary meeting was also chaired in Buenos Aires by Argentina, the Group decided to respond substantively and positively to the call at the 1995 NPT Review and Extension Conference for greater transparency in nuclear related export controls within a framework of dialogue and cooperation. One of the initiatives coming out of the Buenos Aires Plenary in 1996 was the creation of a Transparency Working Group, which led to the development of the Group's outreach programme, outreach seminars, the NSG website and our recently updated public information document "The Nuclear Suppliers Group: Its Origins, Role and Activities", circulated by the IAEA as INFCIRC 539 Revision 6 on 22 January 2015. The Group also issues a public statement after each Plenary meeting which is posted on the NSG website. I believe that this transparent approach enhances the credibility of the Group and strengthens interaction and mutual understandings with other NPT Member States.

**Mr. Chairman,**

Now let me turn to the activities of the Group since the last NPT Review Conference. Since 2010, we have welcomed Mexico and Serbia as new Participating Governments of the NSG, reinforcing the globality of the Group.

From 2010 to 2013, the Group undertook a fundamental review of its Control Lists (the technical annexes to the Part 1 and Part 2 Guidelines). The Fundamental Review was an exercise of exceptional magnitude in terms of the time, effort and resources expended by Participating Governments in this three-year process, to update our lists to address technological developments. In the interest of transparency, the results of our technical discussions were posted on the NSG's website for public use in advance of their publication in November 2013. Recognising that the positive momentum of the Fundamental Review needed to be carried forward, the Prague Plenary in 2013 established the Technical Experts Group (TEG). The TEG has been tasked with ensuring, upon the request of the Group's policy making body, the Consultative Group, that the NSG's control lists remain up-to-date with technical advancements.

Since the last NPT Review Conference, successive Plenaries have worked to strengthen and clarify the NSG's Guidelines. At the 2011 Noordwijk Plenary, Participating Governments concluded a multi-year effort and agreed to clarify the NSG Guidelines on the transfer of enrichment and

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\* Also, the Guidelines have been referenced in a number of UN Security Council Resolutions, such as resolutions 1874(2009) and 2087 (2013).

reprocessing equipment, material and technologies, which is the most sensitive area in terms of nuclear weapon development. The 2012 Seattle Plenary agreed to include in the Guidelines a reference to facilitate access to nuclear material for peaceful uses by taking the fullest possible advantage of the international commercial market for nuclear fuel services. Likewise, it approved a guidance paper to streamline and strengthen the NSG's outreach activities. The 2013 Prague Plenary agreed to amend to reference recognised IAEA recommendations for physical protection in the Guidelines and also agreed to launch the new, revised NSG public website in multiple languages. Last June, Buenos Aires was the host city for the 2014 NSG Plenary and the issue of how the Group can best promulgate its Guidelines, as part of efforts to strengthen the non-proliferation regime, was addressed. Against the backdrop of an increasing number of countries outside the NSG developing the industrial base to export NSG-controlled items, Participating Governments discussed at the Buenos Aires Plenary possible options for engaging these countries as part of efforts to universalize the NSG Guidelines.

Since the 2010 NPT Review Conference, successive NSG Chairs have organized a series of outreach information exchange seminars, in Amman, San Francisco and Vienna, with the broad participation of licensing and enforcement experts from both NSG Participating Governments and outreach partners. Successive NSG Chairs have made presentations on behalf of the NSG at the Asia Export Control Seminar in Tokyo, and at an International Conference on Export Control in Slovenia.

Action 18 of United Nations Security Council Resolution 1977, which extended the UNSCR 1540 Committee mandate by 10 years to 2021, stipulates that the 1540 Committee should encourage international organizations such as the NSG to "enhance cooperation and information sharing with the 1540 Committee on technical assistance and all other issues of relevance for the implementation of resolution 1540 (2004). Successive NSG Chairs have conducted outreach with the UNSCR 1540 Committee Chair, and have shared requests for assistance by UNSCR 1540 Member States wishing to avail of the expertise of NSG Participating Governments to fulfil their obligations in implementing resolution 1540. NSG Participating Governments can provide models for strict and effective national export control systems as well as expertise and a vast experience of practical implementation of such systems. As mandated by the Buenos Aires Plenary, I recently informed the UNSCR 1540 Committee Chair of a new document on the NSG website, authored by Germany and supported by a number of Participating Governments, which lists good practices of brokering and transit/transshipment.

**Mr. Chairman,**

To conclude, allow me to say a few brief words about the importance that Argentina places on nuclear cooperation and on the NSG. Argentina believes that promoting and fostering a safe and secure nuclear energy market requires cooperation, especially in the area of nuclear export controls, and that the NSG has an essential role to play in this regard. Through responsible actions and international cooperation, Argentina has carved out a place for itself in the nuclear export market. No one can make it alone. That presupposes a joint effort and a levelled playing field. Argentina views the NSG as an enabler of nuclear trade in the sense that it allows countries wanting to develop a peaceful nuclear power programme to acquire best nuclear technologies available without undermining nuclear non-proliferation. Argentina is an example of a country that has benefitted in this regard through responsible nuclear cooperation. Argentina has a well-developed nuclear sector with three nuclear power plants in operation, a strong industry base for nuclear research, an impeccable safety record, and a nuclear legacy of more than half a century. Our nuclear exports are growing, a new power plant, Atucha 2, recently went into operation and there is a general feeling in Argentina that nuclear energy is making a tangible contribution to the welfare of our people. Nuclear technology is constantly evolving and improving and the NSG has to keep pace with its developments as well as market trends and security challenges. Through our chairmanship, I have and will continue to effectively address proliferation challenges by ensuring that the focus of the NSG and its Guidelines is based on a technically sound and up-to-date assessment of current trends in the nuclear industry. The NSG is not a treaty and in order to stay relevant and operative it has to adapt itself to changing technologies and environments.

According to the IAEA's Nuclear Technology Review for 2015, thirty countries currently use nuclear power and another thirty countries are considering, planning or actively working to include it as part of their energy mix. Rapid developments in technology are leading to more countries capable of exporting NSG-controlled items. Argentina welcomes the increasing employment of nuclear science and technology for peaceful purposes worldwide, especially in developing countries. Nevertheless, the dissemination of uranium enrichment and spent fuel reprocessing technologies present obvious proliferation risks, as these technologies can produce fissile materials that are directly usable in nuclear weapons. Argentina views the NSG as an indispensable tool for ensuring that trade, cooperation and transfers of nuclear materials, equipment and technologies can proceed with confidence, unhindered by undue obstacles, and protected through the information exchanges and the policy harmonization that the NSG engenders.

In light of the nature and increasing importance of civil nuclear cooperation and international cooperation in the peaceful uses of nuclear technology the NSG remains committed to strengthening the global nuclear non-proliferation regime as well as promoting peaceful uses of nuclear energy to supplement efforts under the NPT regime. Likewise, the NSG is committed to enhancing the level of transparency of our activities and to promote dialogue.

Before closing my remarks, I would like to invite all NPT Member States to the NSG outreach event which will take place in the chamber of the UN Trusteeship Council on 6 May at 13.15.

**Thank you, Mr. Chairman.**