Canadian Statement

for

St. Petersburg Ministerial Conference on Nuclear Energy

June 27 to 29, 2013

Introduction

Thank you, Mr. Co-Presidents, Excellencies, and colleagues.

At the outset, I would like to commend the Government of the Russian Federation, the International Atomic Energy Agency, and the Nuclear Energy Agency of the OECD for organizing this important event. On behalf of my Government, I assure you that Canada is committed to working with you and the Secretariat in making this conference a success.

Benefits of Nuclear Energy

Mr. President, Canada strongly believes that nuclear energy can play an important role in achieving global energy security and sustainable development goals. Nuclear represents an emissions-free source of electricity that can help countries meet their growing energy needs, particularly in the Asia-Pacific region.

Aside from its role in producing the electricity society needs, nuclear power is a strong contributor to a nation's industrial infrastructure, providing well-paid employment to a highly-educated work-force, not just in the nuclear industry, but among suppliers of non-nuclear, balance-of-plant equipment.

However, nuclear energy must be developed within a robust regulatory framework that adequately addresses security, non-proliferation, safety and waste management.

Nuclear Safety

I would like to turn to the issue of nuclear safety. Canada continues to be a strong proponent of the IAEA Nuclear Safety Action Plan. Canada has addressed all of the concerns identified in the Action Plan through its own Canadian Nuclear Safety Commission Action Plan. Canadian licensees have implemented all of the Commissions Plan's short term actions and have now addressed 18 of the 36 longer-term actions directed by the Commission. It is expected that all of the remaining actions will be completed by December 2014.

Canada strongly endorses the principles of openness and transparency. With a view to continuous improvements in nuclear safety, we recognize the importance of strong, independent nuclear regulators, the lessons learned pertaining to emergency preparedness and response and continued international cooperation to share crucial information on operational experience. We are fully supportive of transparency in communications and the imperative to inform domestic and international decision makers and the general public in a timely, accurate and understandable manner.

As a Contracting Party to the Convention on Nuclear Safety, Canada is collaborating on a list of actions that include initial proposals to strengthen the implementation of the Convention through an Effectiveness and Transparency Working Group.

Fukushima was a tragedy, and it reminds us that safety is paramount, both for ensuring the safety of people and protecting the environment. It has taught us important lessons, which we must continue to apply to ensure the future viability of the nuclear industry, including public acceptance and trust of nuclear power.

Canadian Nuclear Industry and Potential

Canada is among a very small number of nations that have a long history in nuclear technology across the spectrum from conceptual design to operation. For nearly three-quarters of a century Canada has been involved in the development, application, and export of nuclear material, equipment, and technologies for peaceful purposes. Nuclear power generation continues to be a key part of Canada's energy mix and a major contributor to our status as a world leader in clean energy.

Canadian nuclear power production alone generates close to $5 billion in annual revenues while the nuclear industry provides direct employment to more than 25,000 people.

Provincial utilities have successfully refurbished two reactors at the Bruce Power site in Ontario, as well as the Point Lepreau CANDU reactor in New Brunswick. The Province of Ontario foresees the refurbishment of up to 10 nuclear reactors and potentially the construction of two new reactors.

Canada is the second largest producer of uranium in the world with exports valued at more than $1 billion a year. Our uranium mining industry employs about 5,000 people.

I highlight these numbers to show the economic benefits that a vibrant nuclear industry has for a nation that adopts a nuclear power program, or intends to expand the nuclear sector it already has.

Government Actions to Strengthen Canada's Nuclear Industry

In order to better place the Canadian nuclear industry to take advantage of opportunities both domestically and abroad, the Canadian Government took a number of actions.

First, in October 2011, it sold the assets of Atomic Energy of Canada's CANDU Reactor Division to Candu Energy Inc. Today, Candu Energy Inc. is pursuing an increased number of opportunities in Canada and abroad. It is one of two firms from which Ontario Power Generation invited detailed proposals for new power reactors, and the company is engaged in the $440 million refurbishment of the Embalse Nuclear Generating Station in Argentina. Candu Energy is also currently working with its Chinese partners, as well as examining opportunities in the UK, to take advantage of CANDU's unique fuel cycle flexibility.

Second, this past February, the Government announced the path forward for Atomic Energy of Canada's Nuclear Laboratories. The Government is undertaking a competitive procurement process for private sector management and operations of the Laboratories. This model will bring

private sector rigour and efficiencies to the management of the Laboratories.

Third, the Government introduced a plan for Responsible Resource Development that offers potential investors in major projects a new level of predictability in the regulatory review of their proposals. The Canadian Nuclear Safety Commission established 24-month timelines for projects that require its regulatory review and a Commission licensing decision. These changes will in no way compromise safety, which is the Commission's overarching objective.

Fourth, the Canadian Government has announced its intention to bring forward legislation that will increase the liability for nuclear operators to $1 billion. This is well beyond the $650 million of previous bills and in-line with most other major nuclear power producing countries. In addition, the Canadian Government has announced its intention to address potential trans-boundary impacts of a nuclear incident by joining the International Atomic Energy Agency's Convention on Supplementary Compensation for Nuclear Damage.

Fifth, we are also opening doors for other opportunities. In 2012, Prime Minister Harper announced an agreement to facilitate exports of Canadian uranium to China.

Last November, Canada and India announced the conclusion of negotiations for the Administrative Arrangement to implement the June 2010 Nuclear Cooperation Agreement between Canada and India. This will allow Canada's nuclear industry to pursue opportunities in India upon entry into force of the Agreement.

Finally, the safe and secure long-term management of radioactive waste is of great importance for the sustainable development of nuclear power. Canada's plan for managing nuclear fuel waste is to contain and isolate it in a deep geological repository. Canada is also considering a deep geological repository for managing low- and intermediate-level radioactive waste, generated from nuclear power, with pubic hearings set to begin in September 2013.

Closing

In closing, Mr. Co-Presidents, Canada believes that the St Petersburg Ministerial Conference is an excellent opportunity and forum to build upon the lessons learned from Fukushima, and thereby enhance the acceptability and opportunities for nuclear power to meet the needs of our populations.

With these comments, Canada looks forward to working with other participants of this conference to achieve a successful outcome.