

Working Paper of Japan for Submission to the 2005 Review Conference of the Parties to the NPT

1. Overview

As a cornerstone of the nuclear non-proliferation regime and a foundation for the promotion of nuclear disarmament, the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) has made immense contributions to maintaining and strengthening international peace and security since its entry into force in 1970.

In light of the recent challenges to the NPT regime, such as the DPRK's nuclear programs and underground networks of nuclear proliferation, the proliferation of weapons of mass destruction (WMD), especially that of nuclear weapons, and their means of delivery, poses a great threat to international peace and stability. In order to address this problem, all states must strengthen their non-proliferation policies, reaffirm their commitment to disarmament and non-proliferation treaties and norms, including the NPT, promote universalization of these treaties and ensure compliance with them.

Given the current international security environment, Japan considers it crucial for the States Parties to the NPT to unite to take effective actions to deal with emerging challenges to the NPT regime, and make efforts to further strengthen the NPT regime. In order to make tangible contributions to the preparatory process for the 2005 Review Conference, Japan has presented to each Session of the Preparatory Committee the following working papers;

- NPT/CONF.2005/PC.I/WP7
- NPT/CONF.2005/PC.II/WP15 and NPT/CONF.2005/PC.II/WP18
- NPT/CONF.2005/PC.III/WP11, NPT/CONF.2005/PC.III/WP17 and NPT/CONF.2005/PC.III/WP18

Japan also hosted the Tokyo Seminar on the NPT entitled 'Toward the 2005 Review Conference' which was held from 7 to 8 February 2005 in Tokyo in order to provide a timely opportunity to pave the way to a successful outcome for the 2005 NPT Review Conference.

Japan, as the only nation to have suffered atomic bombings, continues to adhere to its "Three Non-Nuclear Principles," of "not possessing, not producing and not permitting the introduction of nuclear weapons into Japan". The successive cabinets of Japan, including the present Koizumi Cabinet, have repeatedly articulated the "Three

Non-Nuclear Principles", and there is no change in the position of the Government of Japan in that it continues to uphold these principles.

Japan, since its accession to the NPT, has concluded its comprehensive IAEA safeguards agreement and additional protocol in an effort to ensure transparency of its nuclear related activities. Furthermore, in 1955, Japan promulgated "the Atomic Energy Basic Law", which stipulates that the utilization of Japan's atomic energy be strictly limited to peaceful purposes.

2. Nuclear disarmament

The NPT pursues both nuclear non-proliferation and nuclear disarmament. It is one of the most valuable achievements for international peace and security that an overwhelming majority of countries have decided to renounce the possession of nuclear weapons. This achievement should be taken seriously by nuclear-weapon States. In this regard, it should be recalled that the decision in 1995 to extend the NPT indefinitely was an integral part of a package with "Principles and Objectives" which includes the promotion of nuclear disarmament. Nuclear-weapon States are urged to respond to such resolute determination on the part of non-nuclear-weapon States by demonstrating tangible progress towards nuclear disarmament.

The international community should realize a peaceful and safe world free of nuclear weapons at the earliest date possible. It is imperative that nuclear-weapon States strengthen and continue to take disarmament measures. In this regard, Japan calls for nuclear-weapon States to take further steps toward this aim, including deeper reductions in all types of nuclear weapons with greater transparency and in an irreversible manner, as well as to further reduce the operational status of nuclear weapons systems in ways that promote international stability and security. Japan also reaffirms, on this occasion, the necessity of a diminishing role for nuclear weapons in security policies to minimize the risk that these weapons will ever be used and to facilitate the process of their total elimination. In recent years, concern over the increasing possibility of the use of nuclear weapons has been expressed more frequently. As the only nation which suffered atomic bombings, Japan has strongly urged that nuclear devastation never be repeated. Japan is convinced that every effort should be made to avoid it. The threshold for the use of nuclear weapons must be kept as high as possible. In this vein, Japan believes that the international community should be well informed and ever conscious of the horrendous and long-lasting consequences of the use of nuclear weapons.

It is necessary for States Parties, especially nuclear-weapon States, to faithfully make

progress in implementing the nuclear disarmament measures agreed at the 2000 Review Conference, in the process of working towards their elimination. Japan has submitted a resolution entitled "A path to the total elimination of nuclear weapons" at each session of the UN General Assembly since 2000. These resolutions identify concrete steps towards the total elimination of nuclear weapons, based on the 2000 Review Conference agreements, and appeal to the international community for the necessity of progress in nuclear disarmament.

(1) Comprehensive Nuclear-Test-Ban Treaty

The Comprehensive Nuclear-Test-Ban Treaty (CTBT) is an historic milestone in the promotion of nuclear disarmament and non-proliferation in that it restricts the spread and qualitative improvement of nuclear weapons. The CTBT is one of the major pillars of the NPT regime and is a practical and concrete measure towards a nuclear-weapon-free world. Efforts for universalizing the Treaty have resulted in the signature of 175 and ratification of 120 states in the eight years since its adoption in 1996. However, the CTBT has not yet come into force, thus giving negatively impacting to the future of nuclear disarmament and non-proliferation and undermining the credibility of the NPT.

Japan considers the early entry into force of the CTBT extremely important and urgent, and has intensively worked to this end. Japan has been actively calling on all States that have not yet signed and ratified the CTBT, in particular those States whose ratification is required for the Treaty to enter into force, to sign and ratify the Treaty at the earliest opportunity both on bilateral occasions as well as in multilateral fora. The aforementioned UN resolution sponsored by Japan that underlines the importance of the early entry into force of the CTBT was once again adopted with an overwhelming supports at the 59th UN General Assembly in 2004. Then Minister for Foreign Affairs, Yoriko Kawaguchi, attended the Third Conference on Facilitating the Entry into Force of the CTBT in September 2003 to make a strong personal appeal.

Japan, together with Australia, Finland and the Netherlands, co-hosted the CTBT Friends Ministerial Meeting in September 2004. The Joint Ministerial Statement was issued on this occasion underlined that progress on the early entry into force of the CTBT would also contribute to a positive outcome of the 2005 NPT Review Conference.

In response to the Final Declaration of the Third Conference on Facilitating the Entry into Force of the CTBT, the countries that have not yet signed or ratified the CTBT, especially those eleven states whose ratification is a requirement for its entry into force, are strongly urged to do so at the earliest possible date.

It is also important that efforts to establish a nuclear-test-ban verification regime undertaken by the CTBTO Preparatory Commission will continuously be made, including the International Monitoring System (IMS). As a part of the establishment of the International Monitoring System (IMS), the construction of domestic monitoring facilities has progressed steadily under the supervision of the CTBT National Operation System of Japan. Japan also contributed to the decision made at the Special Session of the Preparatory Commission of the CTBTO on possible contribution of the Preparatory Commission to tsunami warning systems and other alert systems in March 2005.

Ambassador Yukio Takasu, Permanent Representative of Japan to the CTBTO Preparatory Commission, was elected as chairman of the Commission for 2004 and made every effort for the CTBT's early entry into force.

Japan firmly believes that, pending the entry into force of the CTBT, all countries have to maintain existing moratoriums on nuclear weapon test explosions or any other nuclear-explosions. Also, it must be recalled again that in paragraph 3 of its resolution 1172 (1998), the Security Council called on all countries to refrain from carrying out any nuclear weapon test explosion or any other nuclear explosion in accordance with the provisions of the CTBT. Japan once again strongly urges all states not to carry out any nuclear weapon test explosions.

(2) Fissile material cut-off treaty

It is truly regrettable that, despite the conclusion of the 2000 NPT Review Conference, the Conference on Disarmament (CD) has not yet commenced negotiations on a fissile material cut-off treaty (FMCT). Such negotiations must be commenced without delay. All nuclear-weapon States and the non-States Parties to the NPT should maintain or declare their moratoriums on the production of fissile material for any nuclear weapons, pending the entry into force of the FMCT. The FMCT is an important measure for promoting nuclear non-proliferation and disarmament. Conclusion of the FMCT will be an essential building block towards the total elimination of nuclear arsenals and will also contribute to the prevention of nuclear proliferation by banning globally the production of fissile materials for nuclear weapons and enhancing transparency and accountability in the management of such materials through its verification system.

As a concrete contribution to the commencement of negotiations on the FMCT, Japan presented a working paper on the FMCT to the CD on August 14th 2003, aimed at deepening discussions on the substantive issues of the FMCT and facilitating the early commencement of its negotiations.

Japan regards it as a primary task to reach agreement on a programme of work at the CD, thereby realizing the early commencement of negotiations on FMCT. Japan has been making its utmost efforts to break the current stalemate of the CD. Japan redoubled its endeavors for this purpose during its Presidency of the CD from August 18th to December 31st 2003; during this period, on September 4th, then Minister for Foreign Affairs of Japan, Yoriko Kawaguchi, visited the CD and appealed for the early resumption of substantive discussion at the CD, stressing the need and the urgency for the commencement of negotiations on FMCT.

(3) Reduction of nuclear weapons by nuclear-weapon States

Japan welcomes the progress achieved by the nuclear-weapon States on the reduction of their nuclear weapons, including the completion of the reductions of strategic offensive weapons according to the START I Treaty, the measures for unilateral reduction and the entry into force of the Treaty on Strategic Offensive Reductions concluded between the Russian Federation and the United States, which should serve as a step for further nuclear disarmament.

Japan highly values the Treaty on Strategic Offensive Reductions ratified by the United States and the Russian Federation as guaranteeing, in a legally binding form, the reduction of strategic nuclear weapons which the U.S. and the Russian Federation had already respectively declared. Japan encourages both States to implement fully this Treaty and to continue their intensive consultations in accordance with the Joint Declaration on the New Strategic Relationship between the two States. Japan believes that all nuclear-weapon States should reduce their nuclear arsenals and hopes that the other nuclear-weapon States will undertake, unilaterally or through negotiations, further reductions of their nuclear arsenals, without waiting for the implementation of reductions to be undertaken by the U.S. and the Russian Federation. In this regard Japan hopes that the nuclear-weapon State(s), which has(have) not taken such measures so far, will immediately start to reduce its(their) nuclear arsenals.

(4) Non-strategic nuclear weapons

It is imperative for all states that possess non-strategic nuclear weapons to undertake measures to reduce them, while maintaining transparency, in accordance with the Final Document of the 2000 NPT Review Conference. Reducing non-strategic nuclear weapons is crucially important in terms of regional and international security, as well as non-proliferation and counter-terrorism. Furthermore, Japan hopes that the U.S. and the Russian Federation implement their initiatives on the reduction of their non-strategic nuclear forces completely and on a voluntary basis, as declared in 1991-1992, and provide data on the status of implementation of these initiatives.

(5) Assistance for denuclearization in Former Soviet States

In June 2002, Japan announced its intention to make a contribution amounting to a little more than 200 million US dollars for the G8 Global Partnership, 100 million of which would be allocated to the disposition program of Russian surplus weapon-grade plutonium, and the rest to other projects such as the dismantlement of nuclear submarines.

(Nuclear Submarine Dismantlement)

Japan has already extended assistance to the Russian Federation by providing a floating facility for processing liquid radioactive waste treatment. In December 2003 Japan and the Russian Federation launched the first project of dismantling decommissioned nuclear submarines (Victor III class) and this project was completed in December 2004. At present, Japan and Russia are making great efforts to conclude an implementing arrangement for dismantling five additional decommissioned nuclear submarines.

(Management and Disposition of Russian surplus weapon-grade plutonium)

A significant amount of nuclear material, including weapon-grade plutonium, has been withdrawn from dismantled nuclear weapons as a result of ongoing nuclear disarmament efforts by the U.S. and the Russian Federation. It is an urgent task to prevent such material from being reused for military purposes or proliferated to a third country or terrorist group from the viewpoint of disarmament, non-proliferation and counter-terrorism. Japan's efforts in this field are twofold. Firstly, with the cooperation of Japan, twenty kilograms of weapon-grade plutonium, equivalent to two to three nuclear warheads, was successfully disposed of with the aid of advanced technology developed by Russian scientists, for the first time in the world. Secondly, as mentioned above, Japan has pledged 100 million US dollars for a multilateral disposition program of Russian surplus weapon-grade plutonium, and actively participated in the negotiations towards the establishment of such a program. Japan strongly hopes that the outstanding issues such as liability, disposition methods and program management be solved as soon as possible and that actual disposition can start. Among others, Japan stresses the importance of verification that will be required to provide a reliable assurance of compliance with relevant agreements and of irreversibility of nuclear disarmament. Japan hopes that the Trilateral Initiative between the U.S., the Russian Federation and the IAEA will be completed and implemented, and that adequate monitoring and inspections will be put in place.

(International Science and Technology Center (ISTC))

Japan signed the "Agreement for the Establishment of the International Science and Technology Center (ISTC)" in 1992, and has been actively supporting the project since

the inauguration of the ISTC head office in Moscow in March 1994.

(Assistance for denuclearization in Former Soviet Union States other than the Russian Federation)

As for the Former Soviet Union States other than the Russian Federation, Japan has implemented projects, such as assistance for establishing the State System for Nuclear Material Accountancy and Control in Ukraine, Kazakhstan and Belarus, and medical assistance to workers involved in the dismantlement of nuclear weapons in Ukraine and Kazakhstan.

(6) Reporting

The submission of regular reports by all States parties on the implementation of Article VI of the NPT is one of the thirteen practical disarmament steps agreed to in the Final Document of the 2000 Review Conference and is an effective means to facilitate the implementation of specific disarmament measures.

It is encouraging that more reports were submitted to the second and third sessions of the Preparatory Committee than to the first one, thereby contributing to enhancing transparency. Japan also submitted its comprehensive report to each session of the Preparatory Committee. Japan hopes that this trend will be maintained and further strengthened. Discussion on specific methods of reporting should be continued.

Japan looks forward to all States parties, particularly nuclear-weapon States, putting forward reports on their efforts towards nuclear disarmament.

3. Non-proliferation

(1) Strengthening of the commitment to the NPT and the IAEA safeguards

Japan attaches great importance to strengthening the reliability of the nuclear non-proliferation regime, and deems it vital to enhance the IAEA's capability of safeguards activities to assure the non-diversion of declared nuclear material which has been placed under safeguards in each State and the absence of undeclared nuclear material and activities for the State as a whole.

In this respect, Japan reminds all States Parties that the Final Document of the 2000 NPT Review Conference recommends, among others, the consideration of ways and means to promote and facilitate the conclusion and entry into force of comprehensive safeguards agreements and additional protocols, and welcomes the efforts made by the IAEA to develop the "Plan of Action to Promote the Conclusion of Safeguards Agreements and Additional Protocols", last updated in February 2005, and to seek the universal adherence

to the Comprehensive Safeguards Agreement and the Additional Protocol.

Japan strongly believes that the universalization of the Additional Protocol is the most realistic and effective means to strengthen the current international non-proliferation regime. The Additional Protocol can play a pivotal role in increasing the transparency of States' nuclear related activities by providing the IAEA with the enhanced verification ability to, *inter alia*, verify the absence of undeclared nuclear material and activities as well as additional information on nuclear-related research and development, export and import.

Since the conclusion of its additional protocol in 1999, Japan has been actively taking initiatives, in cooperation with the IAEA and like-minded countries, to strengthen the IAEA safeguards through the universalization of the Additional Protocol. Japan's devoted efforts toward this end include hosting of the International Symposium for Further Reinforcement of the IAEA Safeguards in the Asia Pacific Region in June 2001 and the International Conference on Wider Adherence to Strengthened IAEA Safeguards in December 2002, and contribution to a series of regional seminars in terms of financial and human resources. Japan also hosted the Second Asian Senior-Level Talks on Non-Proliferation (ASTOP II) in February 2005, in which the universalization of the Additional Protocol was discussed in depth, and conducted other outreach activities both independently and jointly with the IAEA and like-minded countries. In this regard, Japan welcomes the Resolution of the IAEA General Conference in 2004 (GC(48)/RES/14), which points to Japan's commendable efforts in implementing elements of the Plan of Action. Furthermore, Japan has been actively conducting the G-8 world-wide joint demarches since 2004 with the other G-8 members to facilitate further universalization of the Comprehensive Safeguards Agreement and the Additional Protocol.

These efforts, together with those by other States and the IAEA Secretariat, have led to a higher level of interest and understanding on the importance of the Additional Protocol and the steady increase in the number of States that have signed and/or concluded an additional protocol in recent years. 65 countries have their additional protocols in force at present, as opposed to only 9 in April 2000 when the last NPT Review Conference was held. It is worth mentioning that 24 countries brought into force additional protocols in 2004, although the number has not reached a substantial level. Japan urges those States Parties that have not yet concluded a comprehensive safeguards agreement and/or an additional protocol with the IAEA to do so without further delay. Japan believes that the strengthened safeguards system should constitute the NPT safeguards standard as required by paragraph 1 of Article III of the NPT from a certain date.

Japan welcomes the IAEA's completion of the conceptual framework for integrated safeguards as well as its application to those States Parties that have achieved a good track record on the IAEA safeguards activities based on both comprehensive safeguards agreements and additional protocols. Japan recognizes the importance of promoting the adoption of integrated safeguards with a view to maximizing the effectiveness and the efficiency of the IAEA's safeguards activities within available resources, given the limited safeguards resources and ever-growing verification needs. Japan encourages the IAEA to take necessary steps to strengthen integrated safeguards approaches. Japan reminds all States Parties that the introduction of integrated safeguards in a State requires sincere implementation of its comprehensive safeguards agreement as well as its additional protocol.

Recognizing the strong necessity of taking further measures to close the loopholes of the NPT/IAEA regimes, Japan supports the idea of creating the IAEA Special Committee on Safeguards and Verification, which was formally proposed and discussed at the IAEA Board of Governors Meeting in March 2005. Japan is ready to participate in further discussion on this matter.

Moreover, strengthening the non-proliferation regime is a matter which should also involve non-States Parties to the NPT. Given the imminent importance of enhancing non-proliferation, Japan calls upon non-States Parties to place all nuclear material under IAEA safeguards and conclude an additional protocol.

(2) Export controls

The role of export controls, as required by paragraph 2 of the Article III of the Treaty, is crucial to achieving nuclear non-proliferation. The revelation of Dr. Khan's underground network has reinforced the importance of export controls as a key toward this goal.

In this regard, the multinational export control regimes for nuclear related materials, equipment and technology, i.e., the Zangger Committee (ZC) and the Nuclear Suppliers Group (NSG), have played an important role in ensuring the implementation of the obligation with regard to export controls under the Treaty. Japan urges those States Parties that have not yet done so to establish and implement appropriate effective national rules and regulations on export controls over both nuclear and nuclear-related dual-use items, based on the Zangger Committee Understandings (INFCIRC/209/Rev.2) and the NSG Guidelines (INFCIRC/254/Rev.7/Part1 and INFCIRC/254/Rev.6/Part 2). In this regard, Japan notes that the United Nations Security Council Resolution 1540

adopted in April 2004 requires all States to establish, develop, review and maintain appropriate effective national export controls.

As called upon by previous Review Conferences of the Treaty, the ZC and the NSG have been actively engaged in outreach activities to help the States Parties better understand the activities of the ZC and the NSG, and also help them establish their domestic export control laws and regulations. Japan believes that these multinational export control regimes can play an even more crucial role in assisting the States Parties establish and implement appropriate effective national laws and regulations with regard to export controls, as required by the UNSCR 1540.

Special controls on the transfer of sensitive material, facilities, equipment and technology

In particular, Japan recognizes the necessity of introducing new measures to place special controls on the transfer of sensitive material, facilities, equipment and technology that could be used in the development of nuclear weapons, such as those related to enrichment and reprocessing, and urges all States Parties to exercise restraint in and vigilance over such transfer. In this regard, Japan welcomes the continuing, devoted efforts to update the NSG Guidelines by the NSG participating governments.

IAEA Additional Protocol as a precondition of supply

With regard to the required safeguards in paragraph 2 of Article III of the Treaty, Japan urges the States Parties to reaffirm paragraph 12 of Decision 2 (Principles and objectives for nuclear non-proliferation and disarmament), adopted on 11 May 1995 by the Review and Extension Conference of the Parties to the Treaty, in which States Parties agreed that new nuclear supply arrangements to non-nuclear-weapon States should require, as a necessary precondition, acceptance of IAEA's full-scope safeguards. Japan further urges the States Parties to agree that new nuclear supply arrangements of all the items in the Trigger List of the ZC Understandings and of the NSG Part 1 Guidelines to non-nuclear-weapon States should require, as a necessary precondition, the conclusion of additional protocols. In this regard, Japan welcomes the continuing, devoted efforts to update the ZC Understandings and the NSG Guidelines by participating governments of the respective multinational export control regimes.

Means of delivery of nuclear weapons

Recalling that the preamble of the Treaty refers to the elimination from national arsenals of nuclear weapons and the means of their delivery, the issue of proliferation of nuclear weapons should be addressed in conjunction with the issue of proliferation of their means of delivery.

In this regard, the multinational export control regime for the means of delivery of weapons of mass destruction (WMD), and related materials, equipment and technology, i.e., Missile Technology Control Regime (MTCR), has played a significant role in confining the risk of proliferation of such means of delivery. Japan continues to maintain stringent export controls as a member of the MTCR to prevent the proliferation of means of delivery of WMD, and related materials, equipment and technologies.

Furthermore, Japan was deeply involved in and contributed to the drafting of the Hague Code of Conduct against Ballistic Missile Proliferation (HCOC). Japan highly values the successful launch of the HCOC in November 2002 and the adoption of the United Nations General Assembly (UNGA) resolution on the HCOC with 161 countries' support in December 2004, and has been making efforts to universalize the HCOC by promoting dialogue with non-participating states, in particular ASEAN countries.

(3) Measures against nuclear terrorism

Since September 11 2001, the international community has renewed its awareness of the real and imminent threat of the acquisition by terrorists of nuclear weapons and material. In order to prevent terrorism involving nuclear weapons or material, the international community must cooperate at regional and international levels, and exert individual and collective efforts in relation to exchanges of information, border control and physical protection of nuclear material and nuclear facilities. In this respect, Japan urges the States Parties to the Convention on the Physical Protection of Nuclear Material (CPPNM) to participate in the conference of Plenipotentiaries in July 2005 and to agree on amendments to strengthen the CPPNM.

The IAEA has an essential role to play in this area. Japan has already contributed half a million US dollars to the IAEA's Nuclear Security Fund, and has financed, jointly with other like-minded countries, the project to upgrade the nuclear material accounting and control system in the ULBA Fuel Fabrication Facility in Kazakhstan. Since the safe and secure management of radioactive sources is becoming increasingly important, Japan supports the US proposal to improve global control of radioactive sources. Japan also supports the revised *Code of Conduct on the Safety and Security of Radioactive Sources*, endorsed at the IAEA General Conference in September, 2003, as well as Guidance on the Import and Export of Radioactive Sources approved at the IAEA Board of Governors in 2004, and calls upon other countries to support and take necessary measures to implement them.

Japan is certain that the Additional Protocol can play a meaningful role in preventing such

sensitive materials from falling into the hands of terrorists because it enables the IAEA to receive additional information on the export and import of nuclear source material, non-nuclear material and equipment, which are not covered by the Comprehensive Safeguards Agreement. The conclusion of additional protocols should therefore be promoted also from the viewpoint of anti-terrorism.

(4) Multilateral Approaches to Nuclear Fuel Cycle (MNA)

Japan shares the view that the international nuclear non-proliferation regime needs to be urgently strengthened in order to maintain and improve the peace and stability of the international community. A strengthened regime is also vital for improving the security environment of Japan, which is directly faced with the threats posed by the nuclear programs of the DPRK. With regard to Multilateral Approaches to the Nuclear Fuel Cycle (MNA), Japan appreciates the intensive efforts made by the International Expert Group to produce a report on this issue.

The MNA report, in order to maintain this momentum, suggests five possible approaches and recommends that attention be given to them by the IAEA Member States, by the IAEA itself, by the nuclear industry and by other nuclear organizations. Japan strongly believes that if further consideration is to be made by the international community on this issue, the following points, which were not sufficiently discussed by the International Expert Group, partly due to its limited mandate, should be fully discussed.

First, careful examination is necessary on how the MNA can contribute to the strengthening of the international nuclear non-proliferation regime. In particular, it is necessary for us to examine very thoroughly whether and how the MNA will actually contribute to solving the issues of countries that have already violated their international obligations on non-proliferation, or of countries of proliferation concern that may fall in violation in the future.

Second, it is also important to examine whether the MNA will not unduly affect the peaceful uses of nuclear energy by a non-nuclear-weapon State that carries out nuclear activities with the confidence of the international community by faithfully fulfilling its NPT obligations and by ensuring high transparency of its nuclear activities. The MNA should not affect the peaceful uses of nuclear energy by such a non-nuclear-weapon State, particularly when the State has ratified and is fully implementing both its comprehensive safeguards agreement and additional protocol, and, as a result, has been accorded a conclusion from the IAEA Secretariat that there was no indication of diversion of declared nuclear material placed under safeguards or of undeclared nuclear material and

activities for the State as a whole.

Finally, more study needs to be done on how the MNA can actually guarantee supply of nuclear fuel and services, given the fact that the supply of nuclear fuel and services can be easily affected by international political situation and is therefore unpredictable by nature. Of particular importance is the issue of how the IAEA could be an effective guarantor of nuclear fuel and services under such circumstances.

Japan strongly believes that if the international community agrees to continue the discussion on the MNA, the above-mentioned points should be addressed and thoroughly examined.

4. Peaceful uses of nuclear energy

Under the NPT, all the States Parties enjoy the inalienable right to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with its Articles I, II and III.

Japan is fully committed to respecting this right as long as the purpose of such development is exclusively peaceful. At the same time, however, recent cases relating to compliance with NPT obligations have indicated that the international community should be vigilant against possible exploitation of this right under the cover of "peaceful" purposes.

Safeguards by the IAEA have been incorporated as an essential part in the NPT in order to prevent such exploitation. Therefore, it is vitally important for all the States Parties to fully comply with all obligations under the NPT, including those of non-nuclear-weapon States Parties to accept safeguards, with a view to preventing the diversion of nuclear energy for peaceful uses to nuclear weapons or other nuclear explosive devices. In light of the importance of this issue, Japan is ready to actively participate in discussions on how to address the issue of the possible exploitation of the right of peaceful uses of nuclear energy. However, any measure against such possible exploitation should not unduly affect the peaceful uses of nuclear energy by a non-nuclear-weapon State that carries out nuclear activities with the confidence of the international community by faithfully fulfilling its NPT obligations and by ensuring high transparency of its nuclear activities.

Japan, on its part as a State Party to the NPT, has enjoyed and promoted the right of the use of nuclear energy for peaceful purposes with the confidence of the international community. Japan has fully complied with its IAEA comprehensive safeguards agreement and its additional protocol, and ensured high transparency of its nuclear activities,

including those relating to plutonium, in order to increase international confidence.

The use of nuclear energy for peaceful purposes is vital, not only to securing a stable energy supply, but also to preventing global warming. Japan is pursuing the research and development of innovative nuclear systems that would be safer, more efficient, as well as more diversion and proliferation-resistant, and that would help to extend the scope of the use of nuclear energy to new areas such as hydrogen production.

Japan also places the highest priority on the safety of its nuclear activities and facilities. In this connection, Japan believes that the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management are of great importance and urges those countries that have not yet concluded these Conventions to do so as soon as possible. Japan wishes to note that the First Review Meeting on the Joint Convention, which took place in November, 2003, in Vienna, contributed to enhancing the global safety of spent fuel and radioactive waste management. In this context, the Third Review Meeting pursuant to the Convention on Nuclear Safety in April, 2005, also played a significant role in enhancing global nuclear safety. Furthermore, Japan recognizes the important role of the IAEA in strengthening the global "safety culture" taking into account the guidelines for safety and training, and will continue to make contributions to the IAEA's activities. In this context, Japan has greatly contributed to the IAEA's efforts, such as the Asian Nuclear Safety Network, in improving the nuclear safety in the Asian region.

International technical cooperation in the area of the peaceful use of nuclear technology is one of the three pillars of the IAEA, and plays a key role in achieving the goal of the NPT. Therefore, Japan will continue to make positive contributions towards the promotion of technical cooperation in this area. Japan has been a major contributor to the IAEA Technical Cooperation Fund and, since 1959, has paid its share of TCF in full. Japan urges the IAEA Member States to pay in full and on time their respective shares of the TCF targets, on the basis of shared responsibility. Japan firmly believes that the IAEA Member States and Secretariat should make efforts to ensure that the Technical Cooperation Program is implemented effectively, with efficient management by the IAEA secretariat. Japan will continue to take active part in the international cooperation in the peaceful uses of nuclear energy through various schemes, including Regional Cooperative Agreement for Asia and the Pacific (RCA) as well as well as Forum for Nuclear Cooperation in Asia (FNCA).

Japan acknowledges the significant role of the IAEA, not only in the area of power generation, but also in the field of human health, agriculture, food, sanitary and water

resources, and will continue to make contributions to the IAEA's activities in these fields, in the hope that such activities will help promote a better public understanding of the peaceful use of nuclear science and technology.

Given the international nature of nuclear activities, including power generation and human health, the transport of radioactive materials, which a number of countries have been conducting, is an essential element in the peaceful use of nuclear energy. Therefore, ensuring the smooth transport of radioactive materials is an important issue for all countries that support the peaceful use of nuclear energy. Transport of radioactive materials has been conducted based on the right of navigation established in international law, with the most prudent precautionary measures taken to ensure safety in conformity with the international standards and guidelines set by credible international organizations, such as the International Maritime Organization (IMO) and the IAEA. In addition, relevant information on radioactive transport has been, and will be, provided on a voluntary basis to the states concerned to the fullest possible extent on the basis of the due consideration of safety, security and the smooth implementation of such transport.

Maritime and air navigation right and freedom should be reaffirmed, as provided for in international law and as reflected in relevant international instruments. Japan wishes to point out that its current regulations provide a good basis for an effective regulatory process and a historically excellent safety record, and that such a record can best be maintained by continuing efforts to improve the regulatory and operational practices, and to ensure full compliance with relevant standards and the strict implementation of guidelines, including the IAEA's regulations for the safe transport of radioactive material. Japan has requested that the IAEA organize a Transport Safety Appraisal Service (TranSAS) mission this fiscal year, with a view to having an objective assessment on Japan's national regulations of transport safety. Japan fully associates itself with the International Action Plan for the transport of radioactive materials adopted by the IAEA Board of Governors in March 2004, based on the result of the International Conference on the Safety of Transport of Radioactive Material that was held in Vienna in July 2003.

5. Universality and Compliance

(1) Universality

Japan welcomes the accession to the NPT by Cuba in November 2002 and by Timor-Leste in May 2003. Japan believes that their accession should lead to further strengthening of the NPT regime. The NPT has attained almost worldwide universality. In 1998, the NPT regime was challenged when India and Pakistan conducted nuclear weapon test explosions. At the 2000 Review Conference, the States Parties made it clear that these two countries would not receive new nuclear-weapon State status or any

special status whatsoever. Japan continues to urge these two countries to join the NPT as non-nuclear weapon States, to sign and ratify the CTBT. Lack of progress in the establishment of a weapons-of-mass-destruction-free zone in the Middle East poses also a serious concern for the credibility of the NPT. Strenuous efforts should be maintained to urge early accession to the NPT by the remaining Non-Party States, namely India, Israel and Pakistan, in accordance with the UN Security Council Resolution 1172 and the Final Document of the 2000 NPT Review Conference. The Non-States Parties should be also urged to refrain from acts which would defeat the object and purpose of the Treaty as well as to take practical steps in support of the Treaty, pending their accession to the Treaty as non-nuclear-weapon States.

(2) Compliance

DPRK

Japan expresses grave concern over the DPRK's nuclear programs, which are a direct threat to Japan's national security and undermine peace and stability on the Korean Peninsula and beyond. Japan also expresses deep concern regarding the DPRK's decision in 2003 to withdraw from the Treaty, which continues to represent a serious challenge to the global non-proliferation regime. Furthermore, Japan expresses its utmost regret and deep concern over the DPRK Foreign Ministry Statement on February 10, 2005, which announced that it would suspend its participation in the Six-Party Talks for an indefinite period and that it had manufactured nuclear weapons. The development, acquisition or possession, test or transfer of nuclear weapons by the DPRK can in no way be tolerated.

Japan urges the DPRK to promptly come into compliance with the NPT and completely dismantle all of its nuclear programs, including its uranium enrichment programs, in a permanent, thorough and transparent manner subject to credible international verification. Japan also urges the DPRK not to further develop, test, produce, deploy or export missiles and related goods and services, and to maintain its missile moratorium indefinitely. Japan stresses that the Korean Peninsula must be denuclearized, while the peace, security and stability of the region should be strengthened and the legitimate interests and concerns of the relevant parties should be satisfied. Furthermore, Japan calls on the international community not to engage in any transaction of proliferation concern with the DPRK.

Japan emphasizes the importance of peacefully resolving this issue through diplomatic means within the framework of the Six-Party Talks. The Six-Party Talks remains the most appropriate framework and should be fully utilized. Japan has long urged the

DPRK to expeditiously return to the Six-Party Talks without preconditions. Japan, together with other partners, will continue to make every effort for a resolution by diplomatic efforts, primarily by contributing to the Six-Party Talks. Furthermore, Japan believes that, should there be no progress made towards resolving the DPRK nuclear issue, the international community should be prepared to consider other measures necessary to peacefully resolve the situation.

Iran

Recognizing the efforts made by the international community, especially EU3(France, Germany, United Kingdom)/EU and Iran, to pursue the peaceful resolution of Iranian nuclear issue, Japan recognizes the importance of the fact that Iran has voluntarily continued and extended its suspension of all uranium enrichment-related and reprocessing activities. At the same time, Japan reaffirms its strong concern that Iran's policy of concealment up to October 2003 has resulted in many breaches of Iran's obligations to comply with its safeguards agreement with the IAEA. There are still outstanding issues to be resolved and clarified.

Japan believes that, in order to dispel the serious concerns of the international community, it is essential for Iran to sincerely implement all the requirements of the relevant IAEA resolutions, including the suspension of its enrichment-related and reprocessing activities without exception. In this light, it is equally important that Iran promptly ratify its additional protocol, and continue to positively cooperate with the IAEA by providing adequate and complete information and any access deemed necessary by the IAEA. Japan expects the current negotiation process between EU3/EU and Iran to result in a success. In particular, Japan considers it extremely important that Iran, through its negotiations with the EU3/EU, agree to provide sufficient "objective guarantees" that its nuclear program is exclusively for peaceful purposes.

Libya

Japan welcomes Libya's decision announced in December 2003 to abandon all of its weapons of mass destruction programs, while expressing concern over Libya's past failures to meet the requirements of its safeguards agreement, which constituted non-compliance. Japan also welcomes Libya's signing of its additional protocol in March 2004 and its decision to implement the protocol before ratification, and calls upon Libya to promptly ratify the protocol. Japan strongly hopes that the DPRK and those states that are subject to suspicion for developing WMDs will follow Libya's example.

NPT Non-Proliferation Obligations

The Treaty has served as a cornerstone of the international peace and security since its

entry into force in 1970. The States Parties' obligations required by the Treaty, therefore, must be fulfilled to the fullest extent. In this regard, the States Parties should agree that in case of non-compliance of non-proliferation obligations by a non-nuclear-weapon State, nuclear cooperation such as the transfer of the items in the Trigger List of the ZC Understandings and that of the NSG Part 1 Guidelines should be halted. Japan welcomes the continuing, devoted efforts to update the NSG Guidelines on this issue by the NSG participating governments.

6. Withdrawal from the NPT

Japan takes the issue of withdrawal from the NPT extremely seriously. It should not be tolerated that a state withdraws from the Treaty after having developed nuclear weapon capabilities under false pretenses. Withdrawal of any state from the Treaty would significantly undermine the universality of the NPT and the confidence of the States Parties in the international nuclear non-proliferation regime based on the NPT. The States Parties should properly address this issue at the 2005 Review Conference and reaffirm that a State Party which has withdrawn from the Treaty remains responsible for violations it committed while being a Party.

Japan believes that the best way to deal with this issue is to deter withdrawal by making it more costly. A state withdrawing from the Treaty should not be allowed to make military use of nuclear capabilities acquired under the pretext of the peaceful use of nuclear energy, while being a party to the Treaty, by virtue of the Article IV of the Treaty.

In this regards, Japan also believes that the State Parties should urge any supplier country of the nuclear material, facilities, equipment etc. to make necessary arrangements entitling it to require the return of any nuclear material, facilities, equipment etc. transferred prior to the withdrawal or their neutralization.

7. Nuclear-weapon-free-zones and negative security assurances

(1) Nuclear-weapon-free zones

Japan supports the establishment of nuclear-weapon-free zones on the basis of arrangements freely arrived at by the States of the regions concerned and on the condition that the establishment of such zones would contribute to regional stability and security.

In this regard, lack of progress in the establishment of a weapons-of-mass-destruction-free zone in the Middle East poses a serious concern. Japan supported, and continues to fully support, the 1995 Resolution on the Middle East, which calls for the establishment of an effectively verifiable Middle East zone free of weapons of mass destruction, nuclear, chemical and biological, and their delivery systems. Japan believes

that progress in the establishment of a weapons-of-mass-destruction-free zone in the Middle East will further strengthen the credibility of the NPT.

Japan is firmly committed to supporting the Middle East peace process, a key to achieving regional stability. Such stability is a vital factor in establishing conditions for a zone free of weapons of mass destruction. Japan will intensify political consultation with the Israelis and the Palestinians in order to encourage their peace efforts and will assist the Palestinians to help them establish an independent state according to the Road Map.

Japan appreciates the efforts made by the countries of Central Asia to establish a nuclear-weapon-free zone in that region as contributing to the prevention of nuclear terrorism. Japan hopes that satisfying conclusions for all concerned states will be reached at the consultation between the five nuclear-weapon States and the five countries of Central Asia, and that such an outcome will be recognized as a new achievement in the field of disarmament and non-proliferation. In this view, Japan has been supporting the work of the Department of Disarmament Affairs of the Secretariat of the U.N. in establishing a nuclear-weapon-free zone in Central Asia.

(2) Negative security assurances

It is important to consider and discuss security assurances for non-nuclear weapon States of the NPT, based on Security Council resolution 984 (1995) as well as the relevant declarations of nuclear-weapon States. From this viewpoint, Japan supports the idea that a programme of work, containing the establishment of an *ad hoc* committee on negative security assurances, will be agreed upon at the Conference on Disarmament.

8. Strengthening dialogue with civil society and future generations

In order to advance disarmament and non-proliferation, it is essential to gain the understanding and support of young people who will lead future generations, as well as civil society as a whole.

Japan welcomes the Report of the Secretary-General entitled "United Nations study on disarmament and non-proliferation education", which was prepared by the Group of Governmental Experts on Disarmament and Non-proliferation Education. The Report stresses the importance of education on disarmament and non-proliferation for future generations and contains practical recommendations on the promotion of disarmament and non-proliferation education and training. Japan has been making various efforts to contribute to the implementation of these recommendations, such as inviting disarmament educators from overseas. During the UN Disarmament Conference held in Osaka in August 2003 and in Sapporo in July 2004, Japan co-sponsored with the UN a "Citizens'

Forum on Disarmament and Non-proliferation Education".

Japan, together with Egypt, Hungary, Mexico, New Zealand, Peru, Poland and Sweden, submitted the working papers on disarmament and non-proliferation education to the second and third sessions of the Preparatory Committee for the 2005 NPT Review Conference as well as to the 2005 NPT Review Conference.

In this regard, over the past 20 years, Japan has invited more than 550 participants in the United Nations disarmament fellowship program to Hiroshima and Nagasaki, providing these young people, who will be responsible for future disarmament diplomacy, with the opportunity to understand the tragic devastation and long-lasting consequences caused by atomic bombs. Japan intends to continue to make such efforts.

A regional disarmament conference is also an effective means to enhance awareness of the issue of disarmament in regions concerned. Every year, Japan supports the United Nations Conference on Disarmament Issues in a local city, thereby providing a valuable opportunity for distinguished disarmament experts, not only from the Asia and Pacific region, but also from around the world, to engage in useful discussions.

Japan attaches importance to the constructive role played by civil society in promoting nuclear non-proliferation and nuclear disarmament. In view of the importance of dialogue with non-governmental organizations, Japan appreciates that, on the basis of the agreement at the 2000 Review Conference, a non-governmental organization session is being held during this Review Conference.