

IAEA LEU Bank: Facts

What is the IAEA LEU Bank?

The IAEA Low-Enriched Uranium (LEU) Bank is an unprecedented international effort that will reduce nuclear dangers and make the world safer. The Bank will establish a physical reserve of LEU, which will be available to IAEA Member States if the international supply is disrupted and the Member State is unable to secure low-enriched uranium from commercial market sources or by other means.

The Bank is a facility, operated by the United Nations' International Atomic Energy Agency (IAEA), which stores LEU for a nuclear power plant. LEU will be available to countries that are in good standing according to their nonproliferation obligations but have experienced an interruption in their acquisition of fuel on the commercial market.

What is the purpose of the Bank?

Enrichment technology that produces fuel for a nuclear reactor can also produce the material for a nuclear bomb. The IAEA has said that dozens of countries have expressed interest in pursuing nuclear energy. But if every country interested in nuclear energy also pursues enrichment, the risk of proliferation of nuclear weapons would grow significantly. As the technology spreads, the danger increases exponentially. The IAEA LEU Bank gives countries--including some with unstable governments and in volatile parts of the world--a viable option to avoid the proliferation risks and costs of pursuing enrichment, while providing security of supply.

Does the Bank limit the rights of nations to pursue peaceful nuclear technology?

No. All IAEA Member States have the right to pursue peaceful nuclear energy. From the start, NTI focused on voluntary participation and national choice, and the IAEA has preserved this in the LEU Bank structure. The IAEA LEU Bank provides security of supply for countries that make their own decision to rely on commercial markets for their fuel.

What is low-enriched uranium (LEU)?

Low-enriched uranium (LEU) is produced by increasing the levels of the isotope uranium-235 in the naturally occurring element uranium, the core ingredient used to fabricate nuclear fuel. Enrichment increases the number of atoms that can be split to generate the heat necessary to create power.

How much LEU will the Bank hold?

The Bank will hold 90 metric tons of LEU available for purchase. This will produce enough fuel to power a large city for up to three years.

How is the Bank funded and operated?

The LEU Bank was jump-started by the Nuclear Threat Initiative (NTI), a nongovernmental organization, which provided initial funding for the bank, thanks to a generous \$50 million investment from American businessman and NTI advisor Warren Buffett. The vision for the Bank was fully realized through the leadership of the IAEA, the Government of Kazakhstan, as well as the generosity of other key donor countries, including:

- The United States committed \$49.54 million on December 28, 2007
- Norway committed \$5 million on February 27, 2008
- The United Arab Emirates (UAE) committed \$10 million on August 7, 2008
- The 27 countries that made up the European Union (EU) committed up to 24.4 million Euros (approximately \$32 million) on December 8, 2008
- Kuwait committed \$10 million on March 5, 2009

Owned and managed by the IAEA, the LEU Bank will be the first international LEU bank not under the control of an individual country.

Which countries are eligible to use the Bank?

Countries must be a Member State of the IAEA. Their LEU supplies must have been disrupted for reasons not related to technical or commercial considerations, and they must have a comprehensive safeguards agreement in force and be in full compliance.

How do Member States purchase LEU from the Bank?

When Member States are unable to obtain LEU from the commercial market due to a disruption in supply, they may seek to purchase LEU from the Bank. The Member State must enter into a supply agreement with the IAEA and pay the full cost to re-stock the LEU stored in the Bank. The agreement with the IAEA must specify that the LEU can only be used to make fuel for a power reactor, and that it cannot be used for any nuclear weapons activities.

Once a contract is concluded with the IAEA and payment made, the Ulba Metallurgical Plant in Kazakhstan will prepare the LEU for shipment, following the highest international safety and security standards. The cylinders that contain the IAEA LEU will be transferred to a facility where the LEU can be converted into fuel.

The LEU from the IAEA LEU Bank will be in the form of uranium hexafluoride (UF₆), a form which is flexible for conversions into fuel assemblies used in a wide variety of commercial reactor designs.

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