

2011 New Year's Address

January 11, 2011

Japan Atomic Energy Commission

On the occasion of the New Year's first meeting of the Commission, we would like to express our views on activities for the year 2011.

The Commission decided in 2005 the Framework for Nuclear Energy Policy (the "Framework") that provides the basic concepts of the government's actions to promote the research, development, and utilization of nuclear energy with the aim to secure energy resources for the future, advance science and technology, promote industry and thereby contribute to the betterment of the welfare of mankind as well as the national living standard, under the basic principle that such actions are done only for peaceful purposes while ensuring safety, operating democratically and autonomously, making results open to the public, and actively contributing to international cooperation. Since then the Commission has evaluated the policies and activities promoted by various sectors in accordance with the "Framework", and planned, examined, and decided actions that should be newly undertaken. As a particular note from last year, the Commission decided "Nuclear Energy Strategy for Growth", a set of policies to promote actions that focus on "Green Innovation" and "Life Innovation" that are focal policies of the Government's "New Growth Strategy". This year, the Commission will further the missions as aforementioned by ensuring high transparency and public participation through dialogue with the general public.

The Commission places particular importance on the following issues.

The first issue is to improve the capacity factor of nuclear power stations, which has been below the international level for the past several years. In regards to this issue, the Commission requested safety regulatory authorities and operators to fully understand that safety assurance activities are risk management activities and instructed operators to strengthen their business risk management in view of the root causes of the foregoing situation. As a result, the capacity factor gradually showed signs of recovery at the end of last year, but these efforts should be continued with the aim to achieve a capacity factor of the world's top level.

The second issue is to improve activities pertinent to the nuclear fuel cycle. The number of

nuclear power plants that load mixed-oxide (MOX) fuel increased last year. On the other hand, the operator of the Rokkasho Reprocessing Plant is still having trouble identifying the operating conditions of the glass melting furnace that produces vitrified high-level radioactive waste. They should steadily implement activities for full-scale operation in light of the results of tests at mock-up facilities. Moreover, though construction started on an interim storage facility for spent fuel in Mutsu City, increased interim storage capacity for spent fuel both on-site and away-from-reactor should be steadily pursued from a viewpoint of risk management of nuclear power generation business. Meanwhile, progress has not been made as was hoped in determining a site of facilities for final disposal of high-level radioactive waste. Therefore, the Commission requested the Science Council of Japan to make a proposal on this issue in September last year. For this year, the parties involved with this issue, including the Government, should advance activities to their fullest extent, making every effort to increase understanding amongst the general public of the significance and safety of this disposal facility, and the Government's support for the sustainable development of the local community that accepts construction of the facility from a viewpoint of assuring equity of interest. In addition, as promised in the foregoing Framework, how to treat spent MOX fuel and what next-generation reprocessing plants should be like will be discussed in the course of formulating a new "Framework".

The third issue is to achieve the rated power operation of the prototype fast-breeder reactor "Monju" that resumed operation last May for the first time in 14 years, while establishing a level-headed operation management system on condition of assuring safety by involving the efforts of all the persons concerned. The Commission recommended the Japan Atomic Energy Agency (JAEA) to recognize anew the significance of the purpose and roles of "Monju" and to further strengthen its governance of this project, performing thorough risk management, with a mind to commercialize the fast-breeder reactor as the world's frontrunner. The JAEA should steadily implement these recommendations in order to start the full-scale operation of "Monju". Parallel to this, the Government is now conducting an interim assessment of the research and development activities undertaken by the JAEA in cooperation with related organizations concerning the fast-breeder reactor and its fuel cycle technology, with a view to commercializing it around 2050. It is also important for the JAEA to steadily advance these R&D activities under its leadership in line with the results of the assessment.

The fourth issue is to further efforts of the related organizations involved to ensure that radiation is used more effectively and safely in the fields of science, medical care, and

industry and that relevant undertakings develop into a strategic industry. In this regard, it is encouraging that many researchers are already working at J-PARC, which has just become newly available, and begun to produce the results of their researches.

The fifth issue is the cooperation between the Government and the private sector in response to the recent increase in the number of countries showing interest in nuclear power generation with regard to combating climate change and assuring energy security. The Government has been actively undertaking international activities with the aim of supporting such countries, including the International Framework for Nuclear Energy Cooperation (IFNEC) and the Forum for Nuclear Cooperation in Asia (FNCA), and has also been strengthening efforts to participate in developing social infrastructure systems in developing countries, which includes the construction of nuclear power plants, in cooperation with the private sector since the beginning of last year, and such efforts have begun to produce results. The Government is also step up the effort to conclude a nuclear cooperation agreement with such countries, which is a prerequisite to such efforts. Furthermore, in order to meet needs for human resources development in the countries preparing for the introduction of nuclear power generation, the Government has also launched a project to create a network of relevant activities in Japan. The Commission considers it important that such efforts should be promoted steadily and continuously from a long-term perspective. Note that the Commission announced its position, when the Government began negotiating a nuclear cooperation agreement with India last June, that it was important to prioritize nuclear nonproliferation and disarmament in the negotiation in view of the fact that India has not signed the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

The sixth issue is to contribute to the strengthening of international activities following the agreements made at the Nuclear Security Summit held last April that highlighted the need for each country to take specific steps to reduce nuclear security risks and formulate action plans for the future, as well as at the NPT Review Conference held last May that reconfirmed the "unequivocal undertaking" of nuclear disarmament pledged, though resulted in a small progress in activities for nuclear nonproliferation. In this respect, it is important how the "Integrated Support Center for Nuclear Nonproliferation and Nuclear Security" develops activities in the future. The center was established last December as the Japanese government promised at the Nuclear Security Summit for strengthening nuclear security in Asia.

Lastly, the Commission decided to undertake the formulation of a new "Framework" last November, and launched the Council on New Framework for Nuclear Energy Policy, which

held its first meeting in December, to discuss matters. The Commission intends to determine a new "Framework" by the end of this year by fully discussing at this Council a vision and basic policies for the Government to promote the research, development, and utilization of nuclear energy in order to achieve the aforementioned purposes, based on the prospects of internal and external situations concerning such policies.