Nuclear Proliferation Prevention Project (NPPP)



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FOR IMMEDIATE RELEASE Thursday, March 13, 2014

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Nuclear Summit Host Violates Its Own Security Pledge

Dutch Tell White House They Plan to Use Bomb-Grade Uranium until at least 2017

AUSTIN – In a major embarrassment, the host country of the upcoming 2014 Nuclear Security Summit is failing to meet its primary commitment from the preceding summit, according to documents released today by the Nuclear Proliferation Prevention Project (NPPP), based at the University of Texas at Austin, and a presentation yesterday by a Dutch company official at a meeting of the White House Office of Science and Technology Policy (OSTP).

The Netherlands, which hosts the summit on March 24-25, signed an <u>agreement in 2012</u> to reduce risks of nuclear proliferation and nuclear terrorism by ending use of highly enriched uranium (HEU) – a bombgrade nuclear material – in the production of medical isotopes by 2015. But the Dutch-based medical isotope company, Mallinckrodt, confirmed to White House officials yesterday that it will not meet that deadline for converting its production process to use safer, low-enriched uranium (LEU).

Instead of halting HEU imports in 2014, as necessary to meet the deadline, Mallinckrodt revealed in another recent presentation to the White House that it "will likely require HEU shipments throughout 2015 and 2016." That disclosure prompted U.S. nuclear experts to complain to the Dutch Foreign Minister, in a letter organized by the NPPP, citing "a two-year delay on a conversion program that the Netherlands originally committed to complete in less than three years."

"It is a huge embarrassment and sets a terrible example when the summit host violates its own pledge," said Prof. Alan J. Kuperman, coordinator of the NPPP and editor of <u>Nuclear Terrorism and Global</u> <u>Security: The Challenge of Phasing out Highly Enriched Uranium</u>. "'Do as we say, not as we do' is not an effective foreign policy," he added.

The Netherlands Foreign Ministry "Sherpa" in charge of the nuclear summit, Piet de Klerk, replied to the U.S. experts in a <u>late February letter</u>, insisting that his government and Mallinckrodt were "vigorously working towards a solution in as short a timeframe as possible." The Dutch official also downplayed Mallinckrodt's rejection of U.S. financial assistance to expedite conversion, claiming that "financial assistance is, however, not the prime key to success." <u>He reiterated those claims yesterday to Dutch reporters</u>.

Mallinckrodt, however, previously had admitted that it was delaying the conversion effort because of constraints on its resources, choosing instead to focus on reactor maintenance. "Responding to the

shutdowns/unplanned reactor maintenance outages . . . has required us and others to direct substantial resources to those efforts and, as a result, slowed conversion," according to a <u>January 2014 letter to Kuperman from Mallinckrodt's director of strategic alliances, Roy W. Brown</u>. By contrast, Europe's other major producer of medical isotopes, in Belgium, has worked steadily and remains on schedule to meet that country's identical commitment to convert by 2015, according to industry comments at yesterday's White House meeting. Other companies in Australia, South Africa, and Argentina already produce the same medical isotopes without HEU.

Facing public embarrassment in the wake of the NPPP disclosures, Mallinckrodt reportedly has recently renewed discussions with Washington about assistance to expedite the HEU phase-out. According to one U.S. official, "something lit some fire under them." However, due to Mallinckrodt's earlier footdragging, the company still will not convert by 2015, leaving the Dutch government in violation of its commitment from the 2012 nuclear summit. Mallinckrodt's Roy Brown confirmed at the White House meeting yesterday that the company will continue to use HEU until at least the "end of 2017."

Kuperman responded in a statement today:

The Dutch government bears responsibility for failing to ensure that Mallinckrodt fulfilled the Netherlands' primary commitment from the preceding nuclear summit. On the bright side, The Hague and Mallinckrodt are belatedly accelerating conversion efforts in the run-up to the summit. The real test, however, will be whether those efforts continue after the summit spotlight fades. If the Dutch drop the ball again, Washington should terminate HEU exports to Mallinckrodt and seek alternative supplies of medical isotopes produced without bomb-grade uranium.

That option appears feasible in light of comments at yesterday's White House meeting by an official of Lantheus Medical Imaging, who predicted that by 2016 his company's entire supply of medical isotopes for U.S. patients would be produced without HEU by companies other than Mallinckrodt.

In a related controversy, the NPPP warned that Russia recently has announced a loosening of restrictions on its own exports of HEU, thereby threatening to undermine U.S. export controls. In the past, Washington had persuaded foreign reactor operators and medical isotope producers to convert to LEU by restricting U.S. exports of HEU. According to Kuperman, "If Russia opens the spigot on exports, it's game-over for HEU minimization, and a bonanza for nuclear terrorists." Last month, the NPPP organized a separate letter to President Vladimir Putin, urging Russia to adopt export controls similar to those applied by the United States. Moscow has not yet replied, according to Kuperman.