Kazakhstan Nuclear Chronology


Last update: August 2010

This annotated chronology is based on the data sources that follow each entry. Public sources often provide conflicting information on classified military programs. In some cases we are unable to resolve these discrepancies, in others we have deliberately refrained from doing so to highlight the potential influence of false or misleading information as it appeared over time. In many cases, we are unable to independently verify claims. Hence in reviewing this chronology, readers should take into account the credibility of the sources employed here.

Inclusion in this chronology does not necessarily indicate that a particular development is of direct or indirect proliferation significance. Some entries provide international or domestic context for technological development and national policymaking. Moreover, some entries may refer to developments with positive consequences for nonproliferation.

2010

16 June 2010
It was announced that plans for a joint uranium enrichment center (UEC) between Kazakhstan and Russia located at the Angarsk Electro-Chemical Combine were dropped due to lack of economic feasibility. Reportedly, Kazakhstan may instead buy shares in one of Russia's four already operating enrichment centers. The UEC is separate from the international uranium enrichment center (IUEC) already operating in Angarsk. IUEC, created with the IAEA's approval, is meant to provide uranium enrichment for civilian purposes to states party to the NPT. Kazakhstan and Russia are already partners at the IUEC, with Rosatom owning 90%. Ukraine and Armenia are expected to join the project.

12 June 2010
Kazatomprom and Guangdong Nuclear Power Corporation of China (CGNPC) signed a contract for the supply of uranium concentrate on June 12. Kazatomprom, reportedly, could not provide any further information on the agreement. An umbrella agreement signed by Kazatomprom and CGNPC in 2008 included plans for a ten year supply of uranium to China. One of the mines included in the agreement is the Irkol mine in the Shieli district of the Kyzylorda region. The mine, commissioned in April 2009, has a planned output of 750 t of uranium per year. CGNPC owns a 49% share in the mine as well as a 49% stake in the Semizbay project in the Akmolinskaya region.

8 June 2010
Toshiba Corporation announced the signing of an agreement with Kazatomprom to form a joint venture that will "globally market rare metals used in nuclear power projects." The new company's capital is reported at USD 5

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million, with Toshiba holding a 49% stake, and Kazatomprom owning the rest. Kazatomprom will mine metals such as molybdenum and beryllium for use in superconductive devices and atomic furnaces, and Toshiba will contribute the technology for their development. The joint venture will sell the products to research institutes.

—"Toshiba, Kazatomprom tie up to sell N-metals," The Daily Yomiuri, Tokyo, 8 June 2010.

5 June 2010

Inkai, the joint venture owned by Kazatomprom and Canadian uranium company Cameco, launched its main processing plant and the Inkai uranium mining site. The mine site is in the Suzak Region of Southern Kazakhstan, while the processing plant is located near Taikonur Village. The projected output of the mining plant is 2,000 t of uranium per year. Cameco owns 60% of Inkai, and Kazatomprom owns 40%.

—"Inkai uranium JV launches main process plant in South Kazakhstan," Interfax: Russia Metals and Mining Weekly, 10 June 2010.

20 May 2010

Katco, the mining joint venture between Kazatomprom and Areva, was fined 15.561 million tenge for violating environmental laws. The venture was cited for improperly disposing mine sludge in an undesignated location. Mine sludge from the Moinkum, Tortkuduk, and Southern Moinkum blocks was stored without authorization in mud pits. Kazatomprom owns 49% of Katco, and 51% is owned by Areva


14 May 2010

During the first quarter of 2010, 4,060 t of uranium were reportedly mined in Kazakhstan, an increase of 63% compared to the same period of 2009. The increase in production was largely due to the start up of mines owned by joint ventures Baiken-U and Kyzylkum, along with the launch of pilot operations by JV Akbastau. Total profit in the first quarter was reported at USD 319.7 million, a 25% increase from the same period of 2009. Kazakhstan overtook Canada as the world's largest producer of uranium in 2009.


15 March 2010

Mukhtar Dzhakishev, the former head of Kazatomprom, was found guilty of misappropriation and bribery in an Astana court and was sentenced to 14 years in prison. The sentence will prevent Dzhakishev from holding a government position for 7 years and strip him of the Order of Kurmet, a Kazakhstan state award. Dzhakishev's attorney, Nurlan Baisekeyev has indicated that the defense will appeal the sentence.


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2009-2000

15 October 2009
States parties to the Central Asian Nuclear-Weapon-Free Zone Treaty held their first consultative meeting on October 15 in Ashgabat, Turkmenistan. Representatives of the five Central Asian states discussed measures necessary for Treaty implementation and ways to engage with the nuclear-weapon-states (NWS), and elected a coordinator to represent the CANWFZ states parties at international forums. It was agreed that the next consultative meeting will take place in Uzbekistan. Official protocol of the October meeting was not immediately made available to the public.

8 October 2009
Kazatomprom and France’s nuclear consortium, Areva, established a joint venture for fuel marketing. Almost 30% of the uranium produced in the world in 2008 came from the two companies. Starting in 2009, the joint venture is expected to produce approximately 3,000 t of uranium per year

25 May 2009
Former Kazatomprom president Mukhtar Dzhakishev and five of his colleagues were taken into custody under the suspicions of embezzling funds, Kazakhstan’s National Security Committee (KNB) confirmed on 25 May. KNB has launched a criminal investigation against all six, including three Kazatomprom vice-presidents: Dmitriy Parfenov, Askar Kasabekov, and Malkhoza Tsotsoriya. Reportedly, Dzhakishev was taken to Astana, while the rest are being held in Almaty.

21 May 2009
Mukhtar Dzhakishev was dismissed from his post as the chairman of the board of governors of Kazatomprom following a request from the general prosecutor’s office, Kazakh media reported on 21 May. Vladimir Shkolnik, previously minister of industry and trade, was immediately appointed as the new head of Kazatomprom.
—"Shkolnik naznachen predsedatelem pravleniya NAK "Kazatomprom" [Shkolink Appointed the Chairman of the Board of Governors of Kazatomprom], Gazeta.kz, 21 may 2009, www.gazeta.kz.

19 May 2009
Between December 2008 and May 2009, 73.7 kg of spent HEU fuel were removed from Kazakhstan’s Institute of Nuclear Physics and repatriated to Russia, US National Nuclear Security Administration (NNSA) announced on 19 May. The fuel was packaged into specialized transportation caskets and transported, in a series of four shipments, to a secure facility in Russia. The project was carried out under the Global Threat Reduction Initiative (GTRI) initiated by the US and Russian presidents in Bratislava in 2005.

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18 May 2009
If Kazakhstan submits a proposal on housing a multilateral nuclear fuel bank on its territory, the IAEA will welcome it, Hans Forstem, head of IAEA’s Fuel Cycle and Technical Waste Treatment department, told the media on 18 May. Forstem spoke in Astana on the sidelines of the International Conference on Remediation of Land Contaminated by Radioactive Material Residues. Kazakhstan has not yet submitted a formal proposal, but according to Timur Zhantikin, chair of the Atomic Energy Committee of the Ministry of Energy and Mineral Resources, it is currently under development.

—"MAGATE gotovo priniat predlozheniye Kazahstana o razmeshchenii banka yadernogo topliva na svoyey territorii" [IAEA is ready to accept Kazakhstan's proposal to host nuclear fuel bank on its territory], Kazakhstan Today, 18 May 2009.

13 May 2009
Kazakhstan’s Senate ratified an amendment to the 1993 US—Kazakhstan agreement on the destruction of ICBM silos, response to emergency situations and nonproliferation of nuclear weapons, media reported on 13 May. The amendment was signed in 2007 and will extend the existing agreement by seven years.

13 May 2009
Kazakhstan has strengthened the security of 16 sealed test tunnels at the Delegen Mountain facility of the former Semipalatinsk nuclear testing site, Vice—Minister of Energy and Mineral Resources Asset Magauov told the media on 13 May. The work on improving security of the test tunnels will continue in 2009—2010 with the financial assistance from the United States and technical assistance from Russia. Kazakhstan had previously sealed 181 test tunnels at the Delegen Mountain, but the security improvement project was prompted by the concerns following September 11, 2001 attacks in the United States.

—"V Kazahstane usilivayetsya ohrana shtolen na byvshem semipalatinskom yadernom poligone" [Kazakhstan is Improving the Security of Test Tunnels at the Former Semipalatinsk Nuclear Test Site], Kazakhstan Today, 13 May 2009.

24 April 2009
Kazatomprom and China Guangdong Nuclear Power Co. (CGNPC) signed an agreement in Almaty creating a joint venture for the construction of a nuclear power plant in China. According to media, the agreement also stipulates that Kazakhstan will supply China with 24.2 thousand tons of uranium by 2020.


7 April 2009
Kazakhstan would be interested in hosting IAEA’s multilateral nuclear fuel bank, the President of Kazakhstan Nursultan Nazarbayev announced on 6 April at a joint press conference with Iranian President Mahmoud Ahmadinejad. No further details on the offer were reported.

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23 February 2009
Kazakhstan’s Minister of Energy and Mineral Resources Sauat Mynbayev announced on 23 February that the construction of new nuclear power plant in Aktau is being postponed. According to Kazatomprom, Kazakhstan and Russia must resolve issues concerning intellectual property transfer before construction can start, and an appropriate legislative framework for resolving such problems is missing at present.


3 February 2009
Kazatomprom and China Guangdong Nuclear Power Group (CGNPG) established a joint uranium mining venture, Kazatomprom President Mukhtar Dzhakishev announced at a press conference in Almaty on 3 February 2009. The new venture, in which Kazatomprom holds 51% and CGNPG 49% stake, will operate two deposits with a total expected output of 1,250 tU per year. One of the deposits — Irkol — is already in operation, with an output of 300 t in 2008, while the other — Semizbay — is scheduled to start operating at the end of 2009. According to Dzhakishev, the investment in starting up the Semizbay field is 15.5 billion tenge, of which 7 billion has already been appropriated and the rest will be used by the end of 2009.


24 January 2009
Kazatomprom head Mukhtar Dzhakishev and Managing Director of the Nuclear Power Corporation of India Ltd. Shreyans Jain signed a memorandum of understanding on 24 January 2009. The memorandum outlines potential areas of cooperation between the two companies, including the supply of natural uranium and fuel elements from Kazakhstan to India, as well as personnel training. Reportedly, Kazatomprom is also interested in conducting feasibility studies concerning the use of Indian heavy-water reactor design for nuclear energy projects in Kazakhstan.


15 January 2009
Kazakhstan's total uranium output in 2008 was 8,521 tonnes, up 28.5% compared to 2007 but short of the previously announced projection for 2009, Kazatomprom announced on 15 January 2009. Kazatomprom aims to produce 11,900 tonnes of uranium in 2009 if global market conditions are favorable and reach 18,000 tonnes a year by 2010.


11 December 2008
Upper chamber of Kazakhstan’s Parliament ratified the Central Asian Nuclear-Weapon-Free Zone Treaty on 11
December 2008. Thirty days after the deposit of the instrument of ratification with Kyrgyzstan, the Treaty will enter into force.

26 November 2008
Kazakhstan’s Mazhilis (lower chamber of the Parliament) adopted the law on the ratification of the Central Asian Nuclear-Weapon-Free Zone Treaty on 26 November. Kazakhstan’s is the last ratification required for the Treaty to enter into force.

18 November 2008
Kazakhstan became a member of the Zangger Committee on 18 November 2008.

4 November 2008
During the Chinese delegation’s visit to Kazakhstan, the foreign ministers of the two countries signed two cooperation agreements in the nuclear sphere. The agreement between Kazatomprom and China Guangdong Nuclear Power Group (CGNPG) covers a wide range of activities, including joint uranium mining, trade in natural uranium, fuel production, construction of nuclear power plants, and power generation. The second agreement, between Kazatomprom and China National Nuclear Corp (CNNC) "focuses on the implementation of long-term nuclear cooperation projects."

22 July 2008
Kazatomprom (KAP) reported, in a press release, that it had finalized the creation of a "transnational vertically integrated company with a complete nuclear fuel cycle." The press release reminded that while uranium mining and conversion, along with production of fuel assemblies, will be conducted in Kazakhstan, uranium enrichment will take place on Russian territory, at the International Uranium Enrichment Center in Angarsk.

2 July 2008
The Kazakhstan Customs Control Committee and the Department of Energy's National Nuclear Security Administration (NNSA) reached an important milestone in their cooperation under the Second Line of Defense program, NNSA announced 2 July. The joint efforts saw installation and start-up of radiation detection equipment at eight new sites on the Kazakhstan border — seven border crossings and one training facility — intended to prevent illicit trafficking of nuclear materials.

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11 June 2008
Kazatomprom (KAP) President Mukhtar Dzhakishev and AREVA CEO Anne Lauvergeon signed a partnership agreement in Paris, France. Under the terms of the agreement, Kazatomprom and AREVA are forming a joint venture, KATCO, for the production of 4,000 tons of uranium a year until 2039. Kazatomprom holds a 51% stake in the new enterprise, while AREVA’s share is 49%. The sales of uranium will be conducted by AREVA. AREVA is also expected to provide engineering assistance in the construction of fuel fabrication lines at the Ulba Metallurgy Plant, with an annual capacity of 1,200 tons. According to Kazatomprom’s press release, a 400-ton line will be dedicated to the production of fuel assemblies for French-designed reactors, while the other, 800-ton, line will produce assemblies for reactors of other designs. The plant is expected to be constructed in 2009-2012; the total cost of the project is $170 million. The sale of assemblies will be carried out through another jointly owned company, where AREVA will hold the majority 51% stake.

6 June 2008
On 6 June 2008, Kazakhstan’s Special Forces conducted a training exercise at the Institute of Nuclear Physics in Alatau. The exercise, dubbed "Atom-Antiterror-2008," took place in the framework of the Global Initiative to Combat Nuclear Terrorism, on the even of the Initiative’s fourth meeting set to take place on 16-18 June in Madrid, Spain. The exercise scenario centered on intrusion of 12 individuals upon the Institute’s territory. The individuals attempted to get to the Institute’s reactor, but, upon encountering heavy resistance from the Institute’s guards, settled for taking hostages from the Institute staff. The Special Forces made the decision to storm the building, arresting the intruders, rescuing the hostages, and alleviating danger to the reactor.

3 June 2008
On 3 June 2008, Kazatomprom and Canada’s Cameco announced creation of Ulba Conversion LLP, a venture which would see development of a uranium conversion facility at the Ulba Metallurgy Plant. Establishment of the entity, in which Kazatomprom holds a 51 percent share and Cameco holds 49 percent, follows a 2007 memorandum of understanding and pending feasibility studies on the 12,000 tonne uranium hexafluoride conversion plant, for which Cameco agreed to provide technology. The partners reportedly also plan to double production at the Inkai uranium deposit.

14 May 2008
Kazakhstan’s president Nursultan Nazarbayev signed into a law a bill, passed by the Kazakhstan parliment in April, that would ratify the International Convention for the Suppression of Acts of Nuclear Terrorism, Interfax reported on 14 May. Kazakhstan signed the convention on 14 September 2005.

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24 April 2008
The Kazakhstani parliament passed a law that would ratify the International Convention for the Suppression of Acts of Nuclear Terrorism. The ratification will go into effect once the bill is signed into law by Kazakhstan’s president Nursultan Nazarbayev.

13 December 2007
The United States and Kazakhstan signed an agreement to extend bilateral cooperation under the Cooperative Threat Reduction, or "Nunn-Lugar," program, the U.S. Department of Defense announced 13 December. The agreement was signed by U.S. Defense Secretary Robert Gates and Kazakhstan Ambassador Yerlan Idrissov. During the 14 years of CTR, among other accomplishments, the two countries completed elimination of intercontinental ballistic missile launchers, the anthrax production plant at Steptogorsk, closed 194 nuclear weapons test tunnels at the Semipalatinsk test site. The CTR efforts in Kazakhstan are currently expanding in the biological threat area.

21 November 2007
On 21 November 2007, Kazatomprom President Mukhtar Dzhakishev announced that plans were in the works to build a nuclear power station with Russian reactors near Aktau. Prime Minister Karim Masimov has reportedly given the green light for the project to move forward. Construction was set to begin by 2011, with the first unit expected to come online in 2015 and the second in 2016. [2] The reactors would be of Russian design and based upon the VBER -300 modular reactor using technology employed in constructing nuclear submarine reactors.

22 October 2007
Kazatomprom (KAP) President Mukhtar Dzhakishev and Guangdong Nuclear Power Holding Co (Cgnpc) General Manager He Yu signed agreements that would permit KAP to begin delivering nuclear fuel products with "high added value" to China by May 2008, based upon natural uranium production from joint Kazakh-Chinese enterprises. KAP and Cgnpc also established a joint venture to develop uranium resources in Kazakhstan, as well as discussed investment of KAP in China’s nuclear power industry. The agreement prompted speculations that Russia’s influence over Kazakhstan's nuclear energy decisions was waning.

1 October 2007
Kazatomprom closed the deal on purchasing a 10% stake in Westinghouse from Toshiba Corp.

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10 September 2007
On 10 September 2007, Kazatomprom (KAP) President Mukhtar Dzhakishev announced that the company plans to mine 18,700 metric tons (mt) of uranium by 2015 and 27,000 mt by 2025. Significantly greater than previous estimates, Dzhakishev attributed the increase to rising productivity at Kazakh mines. Moreover, he noted that KAP intends to surpass Cameco by 2010, becoming the world’s leading uranium mining company. Dzhakishev noted that KAP and Cameco were negotiating a joint venture on conversion of uranium hexafluoride (UF6). In addition, KAP holds a half stake in a joint venture with Russia’s Tekhsnabeksport, which will result in creation of a uranium enrichment center at Angarsk by 2011. Moreover, the two companies are also partnering in initiation of the International Uranium Enrichment Center at Angarsk, while KAP owns a 10 percent stake in the IUEC.

5 September 2007
On 5 September 2007, Russia’s Angarsk international uranium enrichment center, of which Kazatomprom is a 10% shareholder, legally opened for business. While currently only an "empty shell" and not yet engaging in any enrichment activities, the center has been legally registered and approved. Russian authorities hope that the center should have "several participants and will be starting to produce SWUs for its members" by early 2008.

5 September 2007
On 5 September 2007, Kazatomprom President Mukhtar Dzhakishev stated that the company has received the necessary government approvals in Japan and the United States to purchase a 10% stake in Westinghouse from Toshiba. US-based advocacy groups reportedly expressed concerns that the deal would allow illicit transfers of newly-acquired nuclear technologies in Kazakhstan, even though any technology transfer from the United States requires a license from the US Department of Energy. Under those regulations, Kazakhstan is one of more than 70 states which require specific authorization for nuclear exports.

13 August 2007
Kazatomprom and Toshiba announced signing of a share-transfer agreement for 10% of Westinghouse for US $540 million. The deal, described as a "strategic partnership," would allow Toshiba and Westinghouse to offer fuel cycle services, while Kazatomprom would, in turn, have access to fuel fabrication technology.

15 July 2007
On 15 July 2007, Kazatomprom (KAP) President Mukhtar Dzhakishev announced that negotiations were underway for KAP to purchase a 10% share in Westinghouse from Toshiba, which currently holds 77% of the company. Dzhakishev did not comment on whether the deal implied construction of a Westinghouse nuclear power plant in

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Kazakhstan, and insisted that KAP was not seeking any transfer of uranium conversion technology. He also stated that KAP is building up a "vertically integrated atomic company covering all stages of the nuclear fuel cycle."

10 May 2007
Kazakhstan signed an intergovernmental agreement with Russia, securing its access to Russian uranium enrichment services by establishing an international uranium enrichment center (IUEC) in Angarsk. The agreement was signed under the Federal State Unitary Enterprise "Angarsk Electrolysis Chemical Complex." Pursuant to the agreement, a joint venture will be established in which the further production capacity of 5 million separative work units (SWU) will be added to production. Kazatomprom has also started another joint venture with Russian company Tenex. Each of the two companies owns 50% of the joint stock company Uranium Enrichment Center, which allows Kazakhstan to enrich its natural uranium to LEU.

30 March 2007
Russia and Kazakhstan agreed to work on developing a nuclear power plant together, although no timetable or costs of building the plant have been discussed. However, the two countries are well-suited for the partnership with Russia's advanced enrichment facilities and Kazakhstan's uranium deposits.

19 February 2007
Kazakhstan's President Nazarbayev signed a law approving the nation's Additional Protocol to its nuclear safeguards agreement with the International Atomic Energy Agency. The protocol was signed in Vienna in February 2004.

14 February 2007
Mazhilis (lower chamber of Kazakhstan's parliament) member Tokhtar Aubakirov shocked his colleagues and the press by announcing that Kazakhstan still possessed a nuclear explosive device. According to Aubakirov's statement, a "nuclear device" that could still be detonated had been abandoned at Azgyr, a former nuclear test site in Western Kazakhstan, and was too large to be transported to Russia. Kazakhstan's Ministry of Foreign Affairs and Ministry of Energy and Mineral Resources both issued statements denying the presence of any nuclear warheads or nuclear devices on the territory of Kazakhstan. The Ministry of Energy statement further clarified that the device in question was Yava, a research installation for experiments in high-pressure physics. The Ministry of Energy has stated that due to its technical characteristics, the installation was not suitable for conducting nuclear explosions and did not contain any radioactive materials. During the Soviet era, the installation was used for research on deep submergence effects and the production of artificial diamonds.
—"T. Aubakirov, deputat: 'Atomnaya bomba broshena na ulitse'" ['T. Aubakirov, MP: 'Nuclear Bomb Abandoned

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12 December 2006
Russia and Kazakhstan's nuclear partnership: Russia has built a modern uranium mining facility in southern Kazakhstan, Zarechnoye. Russia received material and technical cooperation from both Kazakhstan and Kyrgyzstan to build the facility. Kyrgyzstan will receive a small share of the profits while the majority goes to Russia and Kazakhstan. Furthermore, Kazakhstan will let Russia use its uranium deposits in exchange for access to Russian high technologies. The partnership contract, signed on 15 June 2006, is worth $1 billion and is in effect until 2022.


26 October 2006
Kazakhstan began construction of a long-term spent nuclear fuel storage site for its BN-350 Reactor. Construction of this facility adheres to specifications and guidelines set forth by the Kazakhstani National Nuclear Center, whose experts were involved in planning for the facility. This event is the culmination of many years of technical and economic research.

—"Kazakhstan Today" www.gazeta.kz, 26 October 2006.

October 2006
Kazakhstan agrees to join Russian Uranium Enrichment Centers Initiative. At a 3 October 2006 press conference, Presidents Putin and Nazarbayev announced that Astana will join Moscow's initiative to create international uranium enrichment centers in Russia. According to Putin, the centers, the first of which will be built in the Russian city of Angarsk, will provide non-discriminatory access to nuclear power for other countries.

—"Russian nuclear chief speaks on Tianwan NPP construction," RIA Novosti, 2 October 2006.; "Kazakhstan to join Russia uranium enrichment centers initiative," RIA Novosti, 3 October 2006.

29 September 2006
The U.S. DOE and the Nuclear Threat Initiative reached an agreement with the government of Kazakhstan whereby HEU currently stored at the Institute of Nuclear Physics (INP) will be downblended at the Ulba Metallurgy Plant and INP's VVR-K research reactor at Alatau will be converted to use LEU, instead of HEU, fuel. The Global Threat Reduction Initiative with DOE's National Nuclear Security Administration will contribute at least $4 million for the projects, while NTI will contribute up to $1.3 million for a new reactor control and protection system and a beryllium reflector. The conversion of the reactor is not expected to be complete until as late as 2011.


8 September 2006
Representatives of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan signed the Treaty on a
Nuclear-Weapon-Free Zone in Central Asia at a ceremony in Semipalatinsk. In addition to regular NWFZ pledges, the Treaty requires states parties to conclude and ratify IAEA Comprehensive Safeguards and Additional Protocol, implement standard of physical protection of material and equipment, and establish IAEA’s Additional Protocol as condition of supply of special fissionable material and related equipment. The five Central Asian states proceeded with signing the Treaty despite objections from Great Britain, France, and the United States over Article XII, which could potentially allow the deployment of Russian nuclear weapons on the territory of CA states parties to the Tashkent Treaty.


June 2006

Recommendations for new nuclear power plant due by end of 2006: According to Kazakhstani National Nuclear Center Director General and Nuclear Physics Institute Director Kairat Kadyrzhanov, a working group will submit its recommendations on where to build a new nuclear power plant by year’s end. The three sites under consideration are 1) in southern Kazakhstan near Lake Balkhash; 2) on the site of the shutdown BN-350 fast neutron reactor in Aktau; and 3) in eastern Kazakhstan in the city of Kurchatov. The government of Kazakhstan is expected to contribute up to 40% of funds needed for construction of the new power reactor. Kadyrzhanov indicated that the remainder is expected to come from private investors, including foreign ones.


23 January 2006

(KAP) and Japan’s Sumitomo Corporation and Kansai Electric Power Co., Inc. signed an agreement on the creation of a tripartite joint venture on the development of West Mynkuduk uranium deposit in Southern Kazakhstan. The agreement represents the implementation of the first part of strategic partnership program among the three companies. It is planned that the new venture, APPAK LLP, will start pilot production of uranium products in 2007 and begin full-scale commercial production in 2010. Projected annual output at full scale is 1,000 tons of uranium. The distribution of shares in the new enterprise between Kazatomprom, Sumitomo, and Kansai is 65%, 25%, and 10%, respectively. Initial funding needed for the joint venture is estimated at $100 million.


January 2006

At a summit in Astana, Kazakhstan and Russia agreed to work out a plan by May 2006 for the integration of their nuclear industries, especially with respect to the Zarechnoye uranium mining venture and Ulba Metallurgy Plant. A press release posted on the Russian Atomic Energy Agency website described the agreement as a step towards restoring the nuclear industry that existed during Soviet times.


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8 October 2005

Kazakhstan announces success of HEU blend-down project: In a joint operation involving Kazatomprom and the Nuclear Threat Initiative that began in 2001, 2,900 kg of 26% enriched nuclear fuel was transferred from Aktau to Ulba to be blended down to non-weapons usable forms of uranium for use in commercial and scientific activities. The project involved several steps: Nuclear workers in Aktau loaded onto rail cars fresh HEU fuel assemblies designed, but never used, for the BN-350 reactor. The fuel assemblies were transported Ulba, where security upgrades had been installed to permit HEU storage. A blend-down line and additional security upgrades to allow HEU processing were designed, licensed, and installed at Ulba to carry out the operations. Costs of the project, approximately $2 million, were shared equally between NTI and Kazatomprom. The IAEA applied safeguards during transport, commissioning, and downblending. The facilities constructed at Ulba to blend down the BN-350 HEU fuel will remain operational and could be used in the future to eliminate other weapons-usable uranium.

—"Government of Kazakhstan and NTI Mark Success of HEU Blend-down Project; Material Could Have Been Used to Make Up to Two Dozen Nuclear Bombs," NTI press release, 8 October 2005.

Summer 2005

The Kazakhstani Atomic Energy Committee (KAEC) and Ministry of Health started building a nationwide inventory of radioactive sources used at the country’s industrial enterprises and research institutions. The inventory sought to determine the current status of radioactive sources in the country and their operational and storage conditions, and also included a search for “orphan” or abandoned sources. According to KAEC chairman Timur Zhantikin, regional authorities would fund the collection and subsequent disposal of orphan sources found during the inventory, as well as sources no longer used at industrial and research facilities. [Editor’s Note: As of January 2006, the KAEC had made no announcements regarding the results of the inventory of radioactive sources in Kazakhstan, which was expected to be completed by the end of 2005.]


6 February 2004

Kazakhstan signed an Additional Protocol with the International Atomic Energy Agency to its IAEA Safeguards Agreements for the Agency’s application of strengthened safeguards. Kazakhstani parliament must now ratify the Protocol.

23 September 2003

Police in Kazakhstan have arrested a resident in the northern border town of Uralsk in West Kazakhstan Oblast who was trying to sell a container with an undisclosed amount of depleted uranium. The Kazakh newspaper Ekspress K reported the arrest on 23 September 2003. Officials have not disclosed further information about the price sought for the material, its origin or how it came to be in the oblast.


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9 September 2003
Kazakhstani customs agents turned back a truck carrying 20 metric tons of stainless steel found to be emitting high levels of gamma radiation, Ekspress K reported on 9 September 2003. Customs officials at the Martuk checkpoint in Aktyubinsk Oblast on the Russian border sent the Latvia-bound cargo back to its sender, Mustang-2001 LLC of Kyzylorda, after they measured its radiation level as 620 microroentgen/hr or 31 times the acceptable level.

31 July 2003
Agents from the Kazakhstani National Security Committee (KNB) arrested two Kazakhs and one Russian for attempting to sell the radioactive isotope plutonium-239, Ekspress-K reported on 31 July 2003. The arrests were the result of a surveillance operation. The three suspects, two residents of Pavlodar, Kazakhstan and one native of Saratov Oblast in Russia, were arrested while making the transaction at a local train station in Pavlodar. The two Kazakhs were reportedly selling the plutonium to the Russian. Police seized $20,000 in cash and an ampoule which a subsequent analysis showed to contain Pu-239. A KNB spokesman later said that the isotope of plutonium seized is used in smoke detectors and "in no way can be used in the production of weapons of mass destruction." Charges have been filed against the three suspects.

May 2003
An article in the May 2003 issue of Science reports that Kazakhstani and US officials are about to make an $80 million deal to transfer 3 metric tons (t) of "ivory grade" plutonium, containing more than 90% Pu-239, from Aktau to Semipalatsinsk. The plutonium comes from the BN-350 breeder reactor at the Mangyshlak Atomic Energy Combine (MAEK) and is contained in 300t of highly radioactive spent fuel. During the transportation procedure, which is likely to start in 2004 and continue until 2007, the spent fuel will be loaded into specially-manufactured containers and shipped by rail to the Semipalatsinsk Test Site. According to Timur Zhantikin, chairman of the Kazakhstani Atomic Energy Committee, the spent fuel will be stored in underground silos at the Baykal-1 reactor complex.

17 April 2003
The upper house of the Kazakhstani parliament approved a bill ratifying the Convention on Nuclear Safety between Kazakhstan and the European Atomic Energy Community (Euratom) on 17 April 2003. The Convention commits countries operating land-based reactors to a high level of nuclear safety. Ratification of the agreement will allow for improved cooperation between Kazakhstan and the European Union on implementing higher nuclear and radiation safety levels at facilities in Kazakhstan. Cooperation includes possible technology transfers from EU nations to Kazakhstan, making it possible to install up-to-date safety equipment at nuclear, energy, and industrial facilities. The agreement was signed in Brussels during the first session of the Kazakhstan-EU Council on 19 July 1999, and was approved by the lower house of parliament on 26 February 2003. The bill has been submitted to

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President Nazarbayev for his signature.

22 March 2003
On 22 March 2003, Kazakhstani Minister of Energy and Mineral Resources Vladimir Shkolnik met with South African Deputy Minister of Minerals and Energy Susan Shabangu. The main topic of the discussion between the two officials was the promotion of bilateral cooperation in the fields of nuclear technology and uranium production. In addition, Shkolnik offered to provide South Africa with geological expertise and assistance in building small hydroelectric plants. According to Shabangu, both countries have significant experience to share with each other.

20 March 2003
According to a March 2003 Interfax report, Kazakhstani President Nursultan Nazarbayev has endorsed the Additional Protocol to the Safeguards Agreement between the IAEA and Kazakhstan. Once it signs the Additional Protocol, Kazakhstan will be required to expand the amount and type of information it provides to the IAEA. For example, it will be required to disclose activities of the state-owned nuclear company Kazatomprom such as the location, status, and estimated annual production of uranium and thorium mines.[1,2] The IAEA will also be able to inspect any facilities in Kazakhstan related to the nuclear fuel cycle.

25 February 2003
At a 25 February 2003 government meeting, Kazakhstani Prime Minister Imangali Tasmagambetov reported that it may take the country 15-20 years to dispose of radioactive waste currently on Kazakhstani territory. Tasmagambetov noted that this process will start in 2004 with the preparation of a feasibility study of radioactive waste disposal measures. The report will also consider the possibility of importing low- and medium-level waste. Tasmagambetov instructed ministries and other governmental organizations to decide which uranium mining facilities should be given priority and to submit applications for funding from the 2004 budget. According to Kazakhstani Minister of Energy and Mineral Resources Vladimir Shkolnik, the necessary funds to clear Kazakhstan's territory of all radioactive waste will total $1.15 billion.
25 July 2002
According to Natalya Zhdanova, executive director of the Kazakhstani Nuclear Society, over the next two years the International Atomic Energy Agency (IAEA) will finance four scientific projects in Kazakhstan, worth a total of $1 million. These projects include radiopharmaceutical production, creation of a Kazakhstani Center for Nuclear Medicine, and training specialists in radiochemistry in cooperation with the Kazakh Al-Farabi State University. The IAEA is also considering the possibility of setting up a center for nondestructive monitoring in the country.

3 July 2002
Kazakhstani President Nursultan Nazarbayev signed a bill extending the US-Kazakhstani framework agreement that allows Cooperative Threat Reduction activities to continue in the country.[1] The five-year extension had earlier been ratified by both houses of Kazakhstan's parliament.[2,3] Under the agreement, materials and services necessary for implementation of CTR activities in Kazakhstan will not be subject to restrictions, tariffs, customs duties, and taxes. The original agreement, signed in December 1993, expired in December 2000. CTR activities continued in 2001 through temporary extensions of the framework agreement. Since 1 January 2002, however, CTR work in Kazakhstan has been at a standstill because the country’s new criminal code requires that all such agreements be extended by parliamentary ratification only. In the ensuing debate over ratification, some parliamentarians expressed concern that the framework agreement might allow the 41 Kazakhstani firms serving as subcontractors to avoid paying taxes on non-CTR-related transactions. Kazakhstani Minister of Energy and Natural Resources Vladimir Shkolnik allayed these fears and noted that an interagency group will oversee each transaction to ensure that taxes and duties are waived for CTR-related transactions only.[4] Some parliamentarians also expressed concern that CTR activities are destroying infrastructure that could be successfully repurposed for civilian use.[3] Ongoing CTR activities in Kazakhstan include the destruction of six remaining ballistic missile silos, dismantlement of former biological weapons facilities in Stepnogorsk, conversion of infrastructure at the Semipalatinsk test site, dismantlement of some equipment at the Pavlodar chemical plant, and burial of spent fuel.[3,5]


May 2002
At the 2002 plenary meeting of the Nuclear Suppliers Group in Prague, Czech Republic, Kazakhstan was welcomed as the newest participating government in the NSG.

Related content is available on the website for the Nuclear Threat Initiative, www.nti.org.
### 14 February 2002

On 14 February 2002, US Ambassador to Kazakhstan Larry C. Napper announced that the US will allocate $6 million to support further elimination of silo-based missile launchers in Kazakhstan under a 1993 US-Kazakhstani treaty on eliminating ICBM launch silos. According to Kazakhstani Chief of General Staff Malik Sapaev, six silos remain intact at the Leninsk test site in the Kzyl-Orda region.


### 14 December 2001

On 14 December 2001 Interfax reported that Kazakhstani President Nursultan Nazarbayev had signed a law ratifying the Comprehensive Test Ban Treaty (CTBT).[2] To effectively implement the Treaty, the government of Kazakhstan and the preparatory commission for the CTBT organization on 18 November 1997 signed an agreement to create a system of seismic stations in Kazakhstan to monitor nuclear activities in the region. Construction of the main station in Makanchi and auxiliary stations in Aktobe, Borovo, and Kurchatov is almost complete. About $6 million has been spent on Kazakhstani facilities and an additional $1.6 million is earmarked for the Semipalatinsk test site and operating expenses for the seismic monitoring stations.


### 29 November 2001

On 28 November 2001, the parliament of Kazakhstan ratified the Comprehensive Test Ban Treaty (CTBT), signed by Kazakhstan in 1996. Under the Treaty, Kazakhstan will work with participating states to establish an organization that will work on the CTBT's provisions, monitor implementation, and provide a forum for cooperation and consultations.


### 21 June 2001

On 21 June 2001 the Kazakhstani Senate unanimously ratified the Memorandum of Understanding Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems of 26 May 1972.[1,2] This Memorandum establishes successors to the Anti-Ballistic Missile Treaty (ABM Treaty), which was originally concluded between the United States and the Soviet Union. The Memorandum was signed in New York on 26 September 1997 by the US Secretary of State and Foreign Ministers of Russia, Ukraine, Belarus, and Kazakhstan. After ratification by the Kazakhstani Senate, the Memorandum was sent for signature to Kazakhstani President Nursultan Nazarbayev.[1] Once all the other signatories ratify the 1997 Memorandum, Kazakhstan will become a party to the ABM Treaty and will then be able to legalize military installations that were a part of the Soviet ABM system located in Kazakhstan, including the Saryshagan test site and Balkhash radar station.[2] Kazakhstan will also have the right to formally participate in negotiations on the future of the ABM Treaty.[3] Earlier, on 21 May 2001, Nazarbayev criticized US national missile defense plans in an

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In a speech to the Kazakhstani parliament on 18 June 2001, Kazatomprom President Mukhtar Dzhakishev proposed an amendment to current Kazakhstani environmental legislation that would allow the import of low-level radioactive waste. The waste would be stored in abandoned uranium mines in Mangystau Oblast in western Kazakhstan and on the territory of the Semipalatinsk test site.[1,2] According to Dzhakishev, Kazakhstan needs approximately $1.1 billion to address environmental concerns related to radiation in the country. Importing radioactive waste may bring in $30-40 billion over a 25-30 year period.[1] On 29 June 2001 the parliament postponed hearings of the proposed bill until the Fall 2001 session and the authors withdrew it from consideration.[3] According to Dzhakishev the bill will be reintroduced in Fall 2001.[4] Dzhakishev also released a feasibility study concerning the construction of a nuclear waste reprocessing plant in Aktau, at an estimated cost of $150-200 million.[5] At a press conference on 16 August 2001, Kazakhstani scientists voiced their support for the idea of storing foreign spent nuclear fuel and radioactive waste in Kazakhstan. Opinion polls conducted in August showed increased public support for the measure in comparison to previous polls, with one third of the country's citizens unopposed to the import of nuclear waste from abroad and 10% undecided.[6] On 28 August 2001, Kazakhstani President Nursultan Nazarbayev said that he "does not rule out" the possibility of burying low- and medium-level radioactive waste in Kazakhstan, and that he supports Kazatomprom's initiative.[2] As of 13 September 2001, the Kazakhstani parliament was still considering the issue.[7]

18 June 2001

27 January 2001
According to Marat Kaftaranov, director of Uranlikvidrudnik, the Kazakhstani state enterprise charged with the reclamation of inactive uranium mines, the Vostochnyy open pit-mine in Southern Kazakhstan will be reclaimed during the period 2002 - 2004. Elevated radiation levels in the surrounding Zhambyl Oblast have caused concern among residents, who complain about health problems. Although a 1997-1998 environmental survey revealed gamma radiation of up to 500 microroentgens per hour (far above normal) at the closed Vostochnyy mine, Kaftaranov insists that radiation levels are too low to affect public health. An earlier 1992 plan to seal the mine failed due to a lack of funds.

15 December 2000
On 15 December 2000 Kazakhstani Deputy Prime Minister and Minister of Energy and Mineral Resources Vladimir Shkolnik announced that Kazakhstan plans to increase uranium production by 30% each year through 2005. In 1999, Kazakhstan produced 1,588 metric tons of uranium, a 16.3% increase from 1998.

28 July 2000
In July 2000, Kyrgyzstan, Kazakhstan, and Russia agreed to form a three-way venture, in which uranium concentrate from the Zarechnoye deposit in Kazakhstan's Zhambyl Oblast is to be processed at the Kara-Balta Ore Mining Combine of Kyrgyzstan for use in Russian nuclear power plants. The venture will include Kara-Balta, Kazakhstan's Kazatomprom, Russia's Atomredmetzoloto, and possibly Tajikistani facilities in the future. Under the proposed agreement, Kara-Balta will obtain a concession to the Zarechnoye uranium deposit, where uranium will be extracted using the in-situ leaching process. The uranium slurry will be processed into U3O8 at Kara-Balta. The venture plans to begin production by the end of 2001 and expects initial output of 500 to 700 metric tons (t) per year, increasing eventually to 1,600t to 1,700t, according to Kyrgyzstani Minister of Industry and Trade Arzymat Sulaimankulov.

21 July 2000
According to Russian Minister of Atomic Energy Yevgeniy Adamov, the venture will initially operate on the basis of debt exchange. Russia's TVEL Joint Stock Company is in debt to Ulba Metallurgy Plant for nuclear fuel rods and Kazakhstan owes money to Kyrgyzstan for electricity. Under the three-way venture, Kazakhstani energy consumers will pay Ulba, Ulba will continue to supply nuclear fuel rods to TVEL, TVEL will pay for new border control systems in Kyrgyzstan, and Kyrgyzstan will continue to supply electricity to Kazakhstan.

Related content is available on the website for the Nuclear Threat Initiative, www.nti.org.
21 July 2000
On 21 July 2000 Joint Venture Inkai reported that it has signed a resource use agreement with the government of Kazakhstan, allowing the JV to proceed with plans to construct a $2 million test mine at the Inkay (Inkai) site. Production could begin in 2004 and could eventually reach 2.6 million pounds per year.

15 July 2000
On 15 July 2000 Kazakhstanskaya pravda announced that Kazatomprom plans to invest $17 million in the new Yuzhnyy Moinkum uranium deposit in South Kazakhstan Oblast.

15 May 2000
On 15 May 2000 Interfax reported that Kazatomprom will begin production at the new Yuzhnyy Moinkum uranium deposit in South Kazakhstan Oblast later this year. According to Kazatomprom President Mukhtar Dzhakishev, Kazatomprom also plans to start mining the Akdala and Yuzhnyy Karamurun uranium deposits in South Kazakhstan Oblast this year. South Kazakhstan Oblast is already the site of Kazatomprom’s Tsentralnoye and Stepnoye mines, which contain 48% of Kazakhstan’s entire uranium reserves. According to Kazatomprom, proven uranium reserves in Kazakhstan total about 900,000MT, and proven plus probable reserves total about 1.6 billion MT.

14 March 2000
Kazakhstan’s arrears to IAEA cause it to lose vote, BN-350 AID: On 14 March 2000 the Cabinet of Ministers held a meeting regarding Kazakhstan's debt to international organizations. Kazakhstan’s total debt to international organizations, including the IAEA, the World Health Organization and the International Labor Organization, has reached $21 million. Unpaid annual fees caused Kazakhstan to lose voting privileges at these three organizations. Kazakhstani Minister of Foreign Affairs Yerlan Idrisov said that Kazakhstan’s debt has also resulted in the suspension of IAEA financial support for the BN-350 nuclear reactor decommissioning project and the project to build the South Kazakhstan Nuclear Power Plant. However, the Kazakhstan government plans to partially pay off these arrears or restructure the debt.

March 2000
According to KazSabton President Boris Sheinkman, Israel’s Sabton plans to invest up to $100 million over five years in KazSabton, the former Tselinnyy Mining and Chemical Combine, for activities including the development of new deposits in North Kazakhstan. KazSabton produces polymetallic ores, uranium oxides, oleum, battery acid, heat, and electricity. Kazatomprom exports yellowcake produced by KazSabton. Sheinkman reported that of the 272 million tenge ($2.8 million as of 16 April 1999) in back wages Sabton had promised to pay by April 2001, 80 million ($702,000 as of 16 April 1999) had been paid as of 1 January 2000. See the 16 April 1999 entry below for information on terms of sale to Sabton.

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4 February 2000
On 4 February 2000 the Kazakhstani Ministry of Energy, Trade, and Industry reported that Kazakhstan produced 1,588MT of uranium in 1999, a 16.3% increase from the previous year. Kazakhstan plans to increase further its uranium production to more than 3,000MT in 2002. This increase will be made possible through the development of several new uranium deposits in South Kazakhstan Oblast, including Akdala, Yuzhnyy Moinkum and Yuzhnyi Karamurun. Kazatomprom also plans to mine fluorite ore at the Karazhal deposit in East Kazakhstan Oblast and to set up production of hydrofluoric acid, which is used for the production of uranium, tantalum, and beryllium at the Ulba Metallurgy Plant.


1990-1999
29 December 1991
ALMATY DECLARATION ON STRATEGIC FORCES
The leaders of Kazakhstan, Belarus, Russia and Ukraine issued the Almaty Declaration on Strategic Forces in which they agreed to joint control over nuclear arsenals of the former Soviet Union.


1992
GOVERNMENTAL MEASURES TO DEAL WITH RADIOACTIVE WASTE
A decree was issued On Emergency Measures For Amelioration of Radioactive Situation in Kazakhstan, and the state scientific and technological program, Atomic Energy, Atomic Science and Technology, Radioactive Ecology, was developed. The following was done to implement these programs: development of a plan for radioactive waste storage and the compilation of a national radioactive waste catalog; reconstruction of temporary storage facilities for irradiation capsules (nearing completion) at Kurchatov; airborne mapping of gamma radiation over an area 670,000 sq. km.; and radiation, geological, hydrological and lithological chemical mapping of an area of 250,000 sq. km. In addition, geological passports (profiles) have been compiled for nuclear explosion test sites. The construction of an automated "Reflex" radiation monitoring system in the Mangystau region, which will be connected to other state monitoring systems, is nearing completion.


23 May 1992
KAZAKHSTAN SIGNS LISBON PROTOCOL TO START 1
Under the terms of the protocol, Kazakhstan agreed to join the Non-Proliferation Treaty as a non-nuclear weapons state "in the shortest possible time."


Related content is available on the website for the Nuclear Threat Initiative, www.niti.org.
21 October 1992

**ANTIDUMPING OF KAZAKHSTANI URANIUM SUSPENDED**

The US Commerce Department decided to suspended its uranium antidumping investigations of Kazakhstan, Kyrgyzstan, Russia, Ukraine, and Uzbekistan as long as a price-based quota, starting when the US market price is $13/lb for U3O8 is imposed. The investigation was filed by an ad hoc group of US uranium miners and the Oil, Chemical, and Atomic Workers Union. Agreements were also signed with Tajikistan and Kyrgyzstan but no quotas were established since these republics have uranium mills but no mines. Should Kyrgyzstan or Tajikistan open any mines at a later date, the agreement states that quotas may be set. This agreement will remain in force until October 15, 2000.


January 1993

**KAZAKHSTAN APPLIED FOR MEMBERSHIP IN THE IAEA**

The Board of Governors will consider the application at its 6/93 meetings.


February 1993

**INTERMEDIATE-RANGE MISSILES HAVE BEEN REMOVED FROM KAZAKHSTAN**

President Nazarbayev stated that intermediate-range missiles have been completely removed from Kazakhstan territory. He also declared that Kazakhstan was the first country to ratify START-1.


April 1993

**KAZAK OFFICIALS ON NUCLEAR WEAPONS WITHDRAWAL**

Oumirserik T. Kasenov, head of the Kazakhstan Center of Strategic Studies, suggested that the complete withdrawal of the nuclear weapons from the territory of Kazakhstan, Belarus, and Ukraine, as envisaged by the Lisbon Protocol, would reduce Russia’s incentive to maintain a strategic partnership with those states.

—*Panorama*, No. 9, April 1993, p. 6.

April 1993

**KAZAKHSTAN OPPOSED THE USE OF THE NUCLEAR WEAPONS**

Kazakhstan declared that it is opposed to the use of any and all weapons of mass destruction. It supports efforts to reduce all nuclear arsenals and is also supportive of a general ban on nuclear testing.


October 1993

**THE IAEA OFFICIALLY ADMITTED KAZAKHSTAN AS A MEMBER**


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December 1993

KAZAK-US FRAMEWORK AGREEMENT ON COOPERATION IN DISMANTLING NUCLEAR ARMS SIGNED

A framework agreement on cooperation in dismantling nuclear weapons and on the non-proliferation of weapons of mass destruction was signed by Kazakhstan and the United States. This agreement was required to allow provision of denuclearization support through the Nunn-Lugar Cooperative Threat Reduction (CTR) program. Although Kazakhstan was the first state from the former Soviet Union to ratify START I and the Lisbon Protocol, concluding the framework agreement under which the United States could assist Kazakhstan’s denuclearization effort proved more difficult.


Kazak Fact Sheet to the UN Conference on Disarmament, Geneva, June 1995, p. 2.

13 December 1993

KAZAKHSTAN RATIFIES NPT

The Kazakhstani parliament voted 283-1 to accede to the NPT.


February 12 1994

NUCLEAR WEAPONS IN KAZAKHSTAN ARE POORLY MAINTAINED

Izvestiya, citing sources in the Russian Defense Ministry, alleged that the strategic nuclear weapons in Kazakhstan are poorly maintained and becoming dangerous. The report names the Derzhavinsk Garrison in Turgai Province and Zhangiz-Tobe Garrison in Semipalatinsk Province as being particularly dangerous because of low morale. It further claims that fire alarm systems, fire extinguishing equipment, and electrical wiring are falling apart, and that security equipment and electrical security barriers aren’t working. A comment on this report notes that these charges are being leveled in the Russian press at the start of President Nazarbayev’s visit to Washington, and resemble the sorts of charges the Russian military has been making against Ukraine.


February 15, 1994

NAZARBAYEV SUBMITS NPT ACCESSION DOCUMENTS

President Nursultan Nazarbayev gave President Clinton documents on Kazakhstan’s accession to the NPT as a non-nuclear weapons state. As a signatory to the NPT, Kazakhstan is required to ensure that all exports of nuclear facilities, materials, and nuclear-unique components are subject to IAEA safeguards in the recipient countries.


February 1994

LAST TU-95M TRANSFERRED TO RUSSIA

Colonel General Petr Deynekin, commander-in-chief of the Russian Air Force, says that the last four Russian Tu-
95Ms on Kazakhstani territory have been removed to Russia, but that several obsolete Tu-95s, manufactured in 1955, would remain at the Semipalatinsk airfield. Senior Russian and Kazakhstani officials indicate that 40 Tu-95 strategic bombers and ALCMs were transferred to Russia in 2/94. Kazakhstan maintains that this action was taken by Russia without notification or the consent of Kazakhstan.


28 March 1994
KAZAKHSTAN TO SELL URANIUM AND BERYLLIUM TO RUSSIA
Kazakhstani President Nursultan Nazarbayev and Russian President Boris Yeltsin signed a series of 23 agreements, including the use of the Baykonur Cosmodrome and the sale of beryllium and uranium materials.


March 1994
DETERIORATION OF MISSILE BASES IN KAZAKHSTAN REPORTED
Russian television reported that deteriorating conditions at the strategic missile bases in Kazakhstan can be attributed to strained relations between the Kazakhstani and Russian governments. Kazakhstan has renounced any claim to the missiles on its territory, and the divisions guarding the bases, paid in Russian rubles, are considered to be Russian, yet ambiguity remains over the status of these missiles, according to the report. The decision by the Kazakhstani government to suspend transfer of warheads and other missile components apparently derived from the intention to seek compensation for HEU contained in the warheads. Critics have claimed that this measure has led to an unacceptable build-up of dangerous materials at poorly-maintained storage depots.


March 1994
PRESIDENT NAZARBAYEV ASSURES THAT ALL SS-18 WILL BE DISMANTLED
President Nazarbayev gave US Secretary of Defense William Perry assurances that all 104 of the SS-18 ICBMs will be shipped to Russia for dismantling. Thus far, twelve SS-18s have been transported to Russia; all the strategic bombers have also been returned to Russia. The warheads, however, have not been transferred yet and will not be returned to Russia until Kazakhstan and Russia reach an agreement regarding compensation for the HEU in the warheads. Such an agreement may occur by the end of April.


28 March 1994
KAZAKHSTAN, RUSSIA AGREE ON PROVISIONS FOR THE DISPOSITION OF NUCLEAR FORCES

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Presidents Nazarbayev and Yeltsin have signed a series of agreements, which include provisions for the disposition of the nuclear forces located on Kazakhstani territory. According to this report, Russia will assume full jurisdiction over the missiles, whose warheads are to be removed within 14 months. The missiles themselves and their silos are to be dismantled within three years, although details of the dismantlement process remain unclear. There is no new information about the compensation being sought by Kazakhstan for the HEU contained in the warheads.


April 1994

STATUS OF NUCLEAR WARHEADS REMOVED FROM CRUISE MISSILES
The status of the nuclear warheads removed from the ALCMs deployed in Kazakhstan remains uncertain. The cruise missiles had been associated with the 40 Bear-H bombers recently transferred to Russia from Kazakhstan. President Nazarbayev insists that Kazakhstan receive $1 billion of the $11.9 billion which the United States has agreed to pay for the HEU recovered from dismantled Soviet warheads. The United States will not implement the agreement until Russia has finalized arrangements with Belarus and Kazakhstan on the disbursement of the funds.


April 1994

KAZAKHSTANI EXPORT AGREEMENT WITH NUKEM
It was reported that Kazakhstan concluded agreements on the export of uranium with NUKEM and the Australian firm Energy Resources.


April 1994

GOVERNMENT REGULATION ON THE SAFE USE OF NUCLEAR ENERGY
The Cabinet of Ministers of Kazakhstan adopted Provisional Regulations On the Utilization of Atomic Energy; Nuclear Activities; Treatment of Radioactive Wastes and Spent Fuel; and Radioactive Safety of Population of the Republic of Kazakhstan. The regulations, which were adopted in order to coordinate the activities of various governmental bodies in the utilization of nuclear energy, were intended to stop the illegal use of nuclear materials and to provide safe use of nuclear energy.


May 1994

RUSSIA TO CONTROL THE STRATEGIC ROCKET FORCES IN KAZAKHSTAN
It was reported that Russia and Kazakhstan have reached an agreement granting control of the strategic rocket forces remaining on Kazakhstani territory to Russia. This announcement came from Colonel-General Igor Sergeyev, Commander-in-Chief of Russia's Strategic Rocket Forces. It was further stated that Kazakhstan will be completely free of nuclear weapons by sometime in 1995.


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10 May 1994

KAZAKHSTANI-USA NEGOTIATIONS ON A TENDER TO DISMANTLE SILOS

Kazakhstani and American governmental negotiators have not been able to agree on the terms of a tender for the contract to dismantle missile silos located on Kazakhstani territory, according to Kazakhstan's First Deputy Defense Minister Alibek Kasymov. The terms of the tender, which Kazakhstani officials agree is technically open, are such that "the participation of Kazak firms in it is problematic," said Kasymov. Kasymov confirmed that talks will continue. KATEP (the State Corporation for Atomic Power and Industry) and two holding companies, Special Installations and Construction, intend to take part in the tender.


12 May 1994

KAZAKHSTANI URANIUM EXPORT TO THE US DETAILED

According to an agreement between the United States and Kazakhstan, 440,000 lbs. of newly produced Kazak-origin uranium U3O8 may be imported into the US each year for the next two years. After that, a quota will be established, based on US uranium production levels. If the United States produces 3.5 million lbs., then Kazakhstan could export 330,000 lbs. to the United States; at a US production level of 6.5 million lbs., Kazakhstan could export 909,000 lbs. However, the US Department of Commerce (DOC) and Kazakhstan can agree after the initial two-year "transitional period" to revert back to the original suspension agreement, which allows increasing amounts of imports as the DOC indicator price rises above $13/lb.


July 1994

ICBMS HAVE BEEN DETARGETED

Target coordinates reportedly have been removed from the memories of missile guidance computers in Kazakhstan as well as in Russia, Belarus, and Ukraine, as a precautionary measure in the case of an accidental launch, according to Colonel General Igor Sergeyev, commander of the Russian Strategic Rocket Forces. (This "detargeting" of ICBMs is a result of international agreements between Russia, the United States and other states to reduce the danger of accidental launch.)


26 July 1994

KAZAKHSTAN, IAEA SIGN SAFEGUARDS AGREEMENT

Prime Minister Sergey Tereshchenko and Hans Blix, Director General of the IAEA, signed a nuclear safeguards agreement in Almaty. The Agreement will come into force upon ratification by Kazakhstan's Parliament. According to Mr. Blix, the IAEA will assist Kazakhstan in dealing with the consequences of testing at the Semipalatinsk site, and in planning a replacement for the BN-350 reactor at Aktau, as well as assist in the further development of nuclear energy for Kazakhstan.[1,2] Tereshchenko stated that Kazakhstan hopes to receive technical assistance from the IAEA to help develop a civilian nuclear power program, adding that the future belongs to nuclear energy. IAEA assistance is also being sought for environmental evaluations and clean-up around nuclear sites.[3] The IAEA inspection team in Kazakhstan has not detected any high levels of radiation around the former test site at

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Semipalatinsk.[4]

September 1994
44 SS-18 ICBMs HAVE BEEN DEACTIVATED IN KAZAKHSTAN
According to an unclassified CIA report, as of this month 44 SS-18 ICBMs have been deactivated and their warheads have been removed. With these retirements completed, Kazakhstan now has 60 SS-18s on its territory.

7 October 1994
FOREIGN MINISTRY STATEMENT ON CHINESE NUCLEAR TESTS
In connection with the Chinese atomic explosion on 7 October 1994, a statement by the Foreign Ministry of Kazakhstan said that nuclear tests on the Lop-Nor experimental range in China are "undermining the Nuclear Non-Proliferation Treaty regime." According to the statement, Kazakhstan would welcome a decision by Chinese leadership to join in a universal ban on nuclear tests.

October 1994
KAZAKHSTANI GOVERNMENT WOULD SUPPORT A NWFZ
A Kazakhstani government official stated that he believed it would be in Kazakhstan’s interest to support a nuclear weapon-free zone in Central Asia, including a ban on transshipment, in exchange for additional security guarantees from Russia and the West.

13 October 1994
MISSILE SILOS ARE SCHEDULED TO BE CLOSED DOWN
US Secretary of Defense William Perry and Kazakhstan’s Defense Minister Sagadat Nurmagambetov exchanged messages which emphasize that Washington regards Almaty as a bulwark of stability in Central Asia. According to Nurmagambetov, nuclear warheads and RS-20 (SS-18) ICBMs are being moved to Russia. The missile silos and launch control centers are scheduled to be closed down soon. Destruction of nuclear missiles was to begin in 1994.

11 November 1994
GOVERNMENT PassES RESOLUTION ON LICENSING PROCEDURES FOR RADIOACTIVE WASTE DISPOSAL
A resolution on the procedure for obtaining a temporary license to dispose of radioactive waste in the Republic of

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Kazakhstan was approved by the Cabinet of Ministers. According to the resolution, in order to obtain a temporary license for the disposal of radioactive waste, an enterprise must submit the necessary documents to the Ministry of Ecology and Biological Resources. The resolution established that a temporary license should be issued (or withheld) within 30 days and be valid for six months.


December 1994

ICBM COMPONENTS ARE BEING REMOVED FROM KAZAKHSTAN

Kazakhstan's First Deputy Defense Minister Major General Alibek Kasymov told Interfax that intercontinental ballistic missiles are being taken off-line in Kazakhstan and components of the strategic offensive weapons are being removed to Russia. According to Kasymov, the aviation division, previously located near Semipalatinsk, has been completely removed from Kazakhstan.


7 December 1994

MEMORANDUM ON SECURITY GUARANTEES FOR KAZAKHSTAN WAS SIGNED IN BUDAPEST

A Memorandum on Security Guarantees for Kazakhstan was signed by the major nuclear powers during the CSCE summit in Budapest. The memorandum guarantees the independence and territorial integrity of Kazakhstan, and non-aggression, both conventional and nuclear, against it. Under the memorandum, if aggression is committed against Kazakhstan, the UN Security Council must respond immediately. Kazakhstani President Nursultan Nazarbayev said that the memorandum is vital for Kazakhstan's security and for its participation in the Nuclear Non-Proliferation Treaty as a non-nuclear weapon state.


January 1995

KAZAKHSTANI URANIUM TO BE PROCESSED IN KYRGYZSTAN

According to an agreement reached between Kazakhstan and Kyrgyzstan, some uranium mined in Kazakhstan will be processed at the Kara-Balta mining combine near the Kyrgyz capital, Bishkek.


8 February 1995

CHINA GRANTS SECURITY ASSURANCES TO KAZAKHSTAN

China gave security assurances to Kazakhstan that it would never use nuclear weapons against Kazakhstan. According to a statement released by the government, "the Chinese government has unconditionally undertaken not to use or threaten to use nuclear weapons against non-nuclear weapon states or nuclear-weapon-free zones...This long-standing principled position also applies to Kazakhstan." The following day, President Nursultan Nazarbayev sent a personal message to Chinese President Jiang Zemin, confirming the commitment of his republic

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to friendly relations and comprehensive cooperation with China.

4 February 1995
DISMANTLING OF WARHEADS HAS BEGUN
According to a report on parliamentary hearings by Gadlet Batyrbekov, the Director General of the Kazakhstani National Nuclear Center, work on disassembly of 108 SS-18 warheads has already begun and will be finished by 3-4/95. (Disassembly of warheads is performed in Russia, not in Kazakhstan. Either the source is referring to the removal of warheads from missiles, or the progress of warhead dismantling in Russia.)

March 1995
PROGRESS ON WARHEADS WITHDRAWAL IN KAZAKHSTAN, UKRAINE
The Pentagon has stated that as of mid-March, 1,555 strategic warheads have been removed from missiles in the republics of the former Soviet Union, including 440 SS-18 ICBM and 370 ALCM warheads in Kazakhstan, 45 SS-25 ICBM warheads in Belarus, 240 SS-19 and 460 SS-24 ICBM warheads in Ukraine. Of these, 1,097 have been withdrawn to Russia, including 632 from Kazakhstan, 45 from Belarus, and 420 from Ukraine.

23 March 1995
US TEAM INSPECTS BOMBERS IN SEMIPALATINSK
From 3/22-3/23/95 a US committee carried out an inspection at the Semipalatinsk airfield in accordance with START-I. The 7 TU-95s that are located on the airfield were also inspected. The status and a schedule of liquidation for the TU-95s will be decided later by the Russian Federation and the Republic of Kazakhstan.
—Ministry of Foreign Affairs RK Statement.

March 1995
PROGRESS ON WARHEADS WITHDRAWAL, LAUNCHER ELIMINATION
According to Department of Defense Assistant Secretary for Atomic Energy Harold P. Smith, by 3/95, Belarus, Kazakhstan, and Ukraine have withdrawn a total of 1,000 warheads to Russia and that about 575 launchers and bombers have been eliminated throughout the entire former Soviet Union.

17 March 1995
ZHANGIZ-TOBE ICBM BASE SITE IS BEING CLOSED
All the SS-18 (Satan) missiles deployed at Zhangiz-Tobe are being withdrawn to Russia, and the base is to be closed. Zhangiz-Tobe is also known as Solnechnyy.

Related content is available on the website for the Nuclear Threat Initiative, www.nti.org.
27 March 1995

KAZAKHSTAN AGREED TO CUT "BYPASS" URANIUM DEALS

The US Department of Commerce (DOC) and Kazakhstan signed an amendment to the Kazakhstan suspension agreement. The amendment allows one million pounds of Kazakh U3O8 to be imported into the United States after the DOC-determined price hits $12/lb. In return, Kazakhstan agreed to shut down the use of its uranium in so-called "bypass" uranium enrichment deals (deals wherein CIS uranium enriched in Europe takes on the origin of the country in which it was enriched; trade restrictions on CIS uranium are thereby bypassed). Under the new agreement all uranium mined in Kazakhstan would be considered of Kazak origin, including uranium subsequently enriched in a third country.


5 April 1995

MISSILE WITHDRAWAL FROM KAZAKHSTAN IS AHEAD OF SCHEDULE

US Secretary of Defense William Perry stated that the process of missile and nuclear material withdrawal and dismantlement from Kazakhstan is 2-3 months ahead of schedule.


15 April 1995

NAZARBAYEV, PERRY ON NPT EXTENSION

At a meeting held in Almaty, US Defense Secretary William Perry and President Nursultan Nazarbayev agreed that the Non-Proliferation Treaty should be extended indefinitely and unconditionally.


24 April 1995

KAZAKHSTAN SUPPORTS INDEFINITE EXTENSION OF THE NPT

At the 1995 Review and Extension Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons, the Republic of Kazakhstan officially announced its support for indefinite and unconditional extension of the Non-Proliferation Treaty.


24 April 1995

KAZAKHSTAN ELIMINATING ICBM SILOS

Kazakhstan has begun eliminating its ICBM silos in accordance with the START I Treaty. The destruction of the silos is being carried out by the Russian strategic missile forces on the basis of an agreement between the governments of Kazakhstan and Russia; the silos are being eliminated by explosions. There are two SS-18 missile fields in Kazakhstan, and the first silos to be destroyed are located at the Derzhavinsk field in the Turgai region of Northern Kazakhstan.


Related content is available on the website for the Nuclear Threat Initiative, www.nti.org.
Kazakhstan.

25 April 1995
RUSSIA ANNOUNCES THE COMPLETE WITHDRAWAL OF NUCLEAR WARHEADS FROM KAZAKHSTAN

24 May 1995
ALL NUCLEAR WEAPONS TRANSFERRED TO RUSSIA
The Kazakhstani Foreign Ministry confirmed that all nuclear warheads had been transferred from Kazakhstan to Russia.

1 June 1995
RADIOACTIVE WASTE PROBLEMS IN KAZAKHSTAN REPORTED
ITAR-TASS reported that 36,000 sources of radioactivity with a total emission yield of more than 10,000 Ci have been discovered on the grounds of 136 different organizations in Almaty. According to the report, radioactive devices and other sources of radioactivity which are no longer in use, were either dumped together with industrial waste or kept on the premises of the respective organizations. The report states that the waste facility belonging to the Institute of Nuclear Physics is already at capacity, and that four tons of waste (7,500 Ci) still await disposal.
—FBIS-SOV-95-105, "36,000 Sources of Radioactivity Discovered in Almaty," 1 June 1995.

2 June 1995
NEI ASKS DOC TO GRANDFATHER CONTRACTS WITH KAZAKHSTAN
The Nuclear Energy Institute (NEI) asked the US Department of Commerce (DOC) to grandfather contracts that US utilities signed for the purchase of uranium from Kazakhstan. A number of US utilities signed contracts for Kazak uranium and planned to have that uranium enriched in Europe.

June 1995
KAZAKHSTANI FOREIGN MINISTRY ON CENTRAL ASIAN NWFZ
In response to a question, one Foreign Ministry official noted that a nuclear weapon-free zone (NWFZ) in Central Asia was unnecessary. The official stated that he had the following concerns regarding such a zone: the Central Asian region is ill defined; nuclear weapons are no longer on Kazakhstani territory and Kazakhstan has pledged never to develop them; and Kazakhstan is in a unique strategic position -- flanked by two large nuclear weapons states, Russia and China. This official felt a NWFZ would generate a feeling of good will, but would not provide tangible security benefits for Kazakhstan.

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15 July 1995
KATEP, URANERZ, AND CAMECO TO CREATE JOINT VENTURE
Cameco Corp., Uranerz Exploration and Mining Limited (both of Canada), and Kazakhstan's KATEP announced the formation of a joint venture to develop 2 uranium deposits, Inkay and Mynkuduk, in south Kazakhstan. The venture will rely on the in-situ leaching process and will be managed by Uranerz and KATEP personnel. Each company will hold a one-third participating interest.

4 August 1998
KAZAKHSTANI PRIME MINISTER SUPPORTS JOINT URANIUM VENTURE WITH RUSSIA
Kazakhstani Prime Minister Nurlan Balgimbayev said at a press conference in Almaty on 4 August 1998, that the creation of a joint venture between Kazatomprom and the Russian company TVEL would be "a good decision, as technologically uranium production in Kazakhstan is indissolubly linked with Russia." Balgimbayev also said that Kazakhstan should seek uranium sales markets in countries with Soviet-made nuclear reactors, particularly in Eastern Europe and Ukraine.

11 August 1995
SAFEGUARDS AGREEMENT ENTERED INTO FORCE
The safeguards agreement concluded with the IAEA pursuant to NPT Article III.1 entered into force. Click here for the full-text of this agreement, reproduced in IAEA Information Circular 504.

September 1995
TENTATIVE AGREEMENT ON ESTABLISHING A JOINT CHINESE-KAZAKHSTANI COMMISSION
In response to Kazakhstani appeals for China to regulate its nuclear testing, Beijing has tentatively agreed to establish a joint Chinese-Kazakhstani commission for environmental oversight of future underground tests. No plans have been made yet to define the commission's jurisdiction or powers. Further, officials in Beijing refuse to admit that there is any danger of radioactive emissions from the underground tests, despite evidence to the contrary presented by German researchers after a visit to the Gobi desert.

Related content is available on the website for the Nuclear Threat Initiative, www.nti.org.
12 September 1995

**KAZAKHSTAN AND CHINA CALL FOR HALT TO TESTING**

China and Kazakhstan issued a joint statement, containing no specific provisions, calling for an end to nuclear testing.


15 September 1995

**JOINT COMMISSION FOR MONITORING THE EFFECTS OF CHINESE NUCLEAR TESTS**

According to a Chinese Foreign Ministry Spokesman, Kazakhstan and China will set up commissions to work jointly to monitor the effects of Chinese nuclear tests on the environment in Kazakhstan.


October 1995

**KATEP, URANERZ, AND CAMECO’S JOINT VENTURE DETAILED**

Uranerz CEO Dr. Hikmet Akin explained that the impetus for the planned joint venture between his firm, KATEP, and Cameco Corporation is the fact that Kazakhstan’s Mynkuduk and Inkay uranium deposits are conducive to ISL mining. A feasibility study is being conducted to generate cost figures and develop an initial mining plan. Optimistic about the quantity of uranium available at the two sites, the investing firms are not likely to begin production before 2000. Uranerz and Cameco have reportedly pledged to invest $53 million in the mining project.


October 1995

**STORAGE FACILITY NEEDED FOR USED RADIOACTIVE DEVICES**

Tuseyn Ozhakhliyev, head of the Radiation Hygiene Division of Almaty’s Sanitary and Epidemiological Directorate, stated that in Almaty there are more than 4,000 sources of radioactivity from technical devices (radioisotope devices) that have outlived their utility and are in need of disposal at special burial sites. However, no such facility exists in Kazakhstan, according to Ozhakhliyev, creating "gloomy" environmental conditions.


2 October 1995

**U3O8 PRICE SET AT $12.25/LB**

The US Department of Commerce (DOC) announced a U3O8 market price of $12.25/lb, allowing Kazakhstan, under its new suspension agreement, to import an additional 500,000 lbs into the United States in the October through March (1996) period.

—"In the Antidumping Case...," *NuclearFuel*, 9 October 1995, p. 18.

November 1995

**RUSSIA TO COMPENSATE KAZAKHSTAN FOR STRATEGIC BOMBERS**

An article in Panorama reports that by the end of 1995 Russia will outfit the Kazakhstani Ministry of Defense with

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43 jet airplanes, including 21 MiG-29s. The supply of jets is part of a compensatory program to make up for strategic bombers and nuclear warheads removed from Kazakhstani territory. According to Kazakhstan’s First Deputy Prime Minister Nigmatzhan Isingarin, Russia will deliver an additional 30 military jets to Kazakhstan over the next two years.

—Central Asia Monitor, No. 6 (10-11), 1995.

11 November 1995

KAZAKHSTANI CONSUMPTION OF CIS URANIUM

According to the Minatom figures, Kazakhstan annually consumes 1-3 percent of CIS uranium; 50 percent of CIS uranium ore deposits are located on Uzbek territory. The article concludes that the CIS must develop an inter-republic system of mining and milling uranium, in light of a reported freeze on CTR funds.


30 November 1995

NEVADA-SEMIPALATINSK PROTESTS FRENCH NUCLEAR TESTING

The international anti-nuclear organization "Nevada-Semipalatinsk" made a statement protesting the continued self-destruction of humanity in light of continued French nuclear testing at the Mururoa atoll. Nevada-Semipalatinsk, citing the devastating cumulative effects of nuclear testing at the Semipalatinsk test site, urged the French government to halt testing.


18 December 1995

US URANIUM MINERS CRITICIZE SUSPENSION AGREEMENT

A suspension agreement, fixing the amount of Kazak and Uzbek uranium which can be supplied to US utilities companies, is being challenged by uranium miners in the United States, who consider the contract unfair. Accordingly, US miners filed a petition on 11/27/95 with the US Court of International Trade in New York. A proposal by the US DOC’s Joseph Petrini to grandfather 75 percent of the Kazak and Uzbek uranium, for which utilities companies in the United States had contracted before 3/27/95, appears to be the central point of contention between the two sides.


14 January 1996

RUSSIAN MISSILE UNITS IN KAZAKHSTAN TO BE DISBANDED BY MAY 1996

Colonel General Igor Sergeyev, Commander of the Russian Strategic Rocket Forces - announced that all "Russian-commanded military units controlling nuclear missiles" on Kazakhstani territory are to be withdrawn and disbanded by 1 May 1996.

26 January 1996  
**KAZAKHSTANI-RUSSIAN AGREEMENTS TO ADDRESS NUCLEAR WEAPONS REMOVAL**

Upon concluding a two day meeting in Almaty, Kazakhstani Defense Minister Alibek Kasymov and Russian Defense Minister Pavel Grachev signed a series of 16 documents. Chief among the agreements was a protocol calling for the preparation and arrangement of a bilateral defense pact. Other agreements addressed the full removal of nuclear weapons from Kazakhstan to Russia, the use of test facilities located on Kazakhstani territory, and the deployment of Russian military forces in Kazakhstan.  


23 February 1996  
**BROWN & ROOT WIN CTR CONTRACT FOR SILO DESTRUCTION IN KAZAKHSTAN**

A joint venture team, composed of the Swedish-Swiss multinational engineering firm ABB and the Houston-based construction company Brown and Root, won a contract to destroy 148 missile silos located in four different sites in Kazakhstan. Worth $31 million, the contract is funded from by Nunn-Lugar project (CTR) for the elimination of strategic offensive arms. Kazakhstan has taken on itself the responsibility for destroying the command and control apparatus for the SS-18 intercontinental ballistic missiles according to a previous agreement with the United States. (For more information on the CTR program see Kazakhstan: CTR Program.)  


February 1996  
**RADIATION LEVEL IN KAZAKHSTAN**

A recent study concluded that background radiation levels throughout Kazakhstan are within allowable limits. Though the report noted unusually high radiation levels during the 1986 Chornobyl incident and around the area of Semipalatinsk, research also indicated that these statistical anomalies measured well below allowable levels.  


16 March 1996  
**ANTI-NUCLEAR MOVEMENT ATTAN RETURNS FROM TURKEY**

Participants of the anti-nuclear movement Attan, led by Amantay Asylbekov, returned from Turkey where they held meetings against the testing of nuclear weapons. In the future, Attan plans to visit a number of Arab countries.  


4 April 1996  
**DISCARDED RADIOACTIVE SOURCES SURVEYED**

According to Bakhytzhan Berikbolov, head of the geological prospecting organization Volkovgeologiya and state holding company Zharys, a radiation survey conducted by Zharys has found 18 discarded radioactive devices with...

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emissions from 1.8 to 700 roentgen/hour in eight of the 18 administrative centers surveyed. In Semipalatinsk, Atyrau, Aktyubinsk, and Kromtau, 18 road sites showed emission levels from 0.2 to 100 milliroentgen/hour due to contamination of road construction materials by cesium-137. 607 radioactive sources with emission ranges from 100 to 35,000 microroentgen/hour have been found on the grounds of kindergartens, schools, and other organizations. Currently, the survey has covered 60% of planned locations.

—Nataliya Todorova, "Uran nam drug ili vrag?," Kazakhstanskaya pravda, 4 April 1996, p. 5.

22 April 1996

US UTILITIES RAISE CONCERNS ON CONTRACTS WITH KAZAKHSTAN

The US Department of Commerce proposal published in the 3/19/96 Federal Register raised concerns of US utilities companies that the proposed solution would apply additional restrictions on contracts executed prior to the US-Kazakhstan suspension agreement amendment of 3/27/95. The Nuclear Energy Institute advised that 100% grandfathering of affected Kazakhstan and Uzbekistan origin uranium contracts would not negatively affect uranium market, in light of the strong uranium market recovery.


30 April 1996

CONCEPT OF ENVIRONMENTAL, NUCLEAR SECURITY APPROVED

Kazakstani President Nursultan Nazarbayev approved the Concept of Ecological Security of the Republic of Kazakhstan which sets forth the state's principles and priorities in forming environmental policies. The concept notes the existence of "an increasing danger...for the sustainable use of natural resources" in a number of regions, including the Semipalatinsk and Baykonur test ranges. The concept also says that Kazakhstan must apply its efforts to complete the negotiations on the Convention on Nuclear Security, conducted within the IAEA framework, for the purposes of the safe use of nuclear energy.


15 May 1996

KAZAKHSTANI FACILITIES UNDER IAEA SAFEGUARDS

According to Director General of the Kazakhstan Atomic Energy Agency Timur Zhantikin, all Kazak nuclear facilities have been put under IAEA safeguards, except some material at the Semipalatinsk nuclear facilities. Russian nuclear fuel is still stored at the site "Baykal," which reportedly prevents the extension of IAEA safeguards to the Semipalatinsk testing ground.


29 May 1996

KAZAK-KYRGYZ JOINT VENTURE IN KARA-BALTA

The management of the Kyrgyz Kara-Balta uranium enterprise announced that an agreement has been signed with Kazakstani nuclear authorities to turn Kara-Balta into a joint venture for uranium mining and processing.

—"Kazakhstan, Kyrgyzstan Form Uranium Joint Venture," The Monitor, 30 May 1996.

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30 May 1996

SIX CIS MEMBERS AGREE TO NUCLEAR ENERGY COOPERATION

Officials from Armenia, Belarus, Kazakhstan, Russia, Tajikistan, and Ukraine came to an agreement on cooperating in the area of nuclear energy development during a two-day meeting in Minsk. The countries will also work together on issues including the nuclear fuel cycle, spent fuel, and nuclear waste.


10 June 1996

REACTION TO CHINESE NUCLEAR TEST

The Kazakhstani Ministry of Foreign Affairs expressed deep concern over a Chinese nuclear test conducted on 6/8/96 at the Lop Nor test site.

—"Kazakhstan Unhappy with Chinese Nuclear Test," OMRI Daily Digest, No. 113, Part II, 11 June 1996.

30 July 1996

OVERVIEW OF PROBLEMS AT THE TSELINNYY MINING COMBINE

It was reported that the Tselinnyy Mining and Chemical Combine in Stepnogorsk, which at its prime produced 2,000-2,500 MT of uranium per year, is operating at about 20% of capacity. The combine was formerly under the auspices of the USSR Ministry of Medium Machine Building and is the sole enterprise in Kazakhstan producing an end product on an industrial scale. In 1996, the plant employed 11,000 people; at its peak it employed 24,000 people. According to Karavan, $80-100 million in capital investment would be needed in order to stabilize the deteriorating production capacity of the combine. The combine also provides protection measures for about 50 million tons of radioactive waste which is stored on the combine’s grounds having a total radioactivity of 160,000 curies. Combine employees believe that a loan against governmental guarantees, rather than handing the enterprise over to foreign management would remedy the investment situation.


19 August 1996

FINAL PROTOCOL ON WITHDRAWAL OF SRF FROM KAZAKHSTAN SIGNED

On 8/19/96 in Almaty, Russia and Kazakhstan signed a final protocol on the withdrawal of Russian strategic rocket forces from Kazakhstan. The document was signed by First Deputy Chairman of the Kazakhstani Committee for the Defense Industry, Vladimir Kotelnikov, and First Deputy Commander of the Russian Strategic Rocket Forces, Colonel-General Nikolay Solotvotso, at a meeting of the joint Kazak-Russian commission dealing with the consequences of the operation of the Russian strategic forces in Kazakhstan. It was reported on 9/4/96 that two Russian rocket divisions were being pulled out of the Turgay and Semipalatinsk regions. The last Russian rocket division in Derzhavinsk is scheduled to leave Kazakhstan by early 10/96. Army General Igor Sergeyev, Commander of the Russian Strategic Rocket Forces, stated that since 12/94, 16 missile regiments in Kazakhstan have been disbanded; 898 warheads, 98 intercontinental ballistic missiles, and more than 18,000 MT of missile fuel components have been taken to Russia; and 104 combat silos for SS-18 ICBMs and two training silos have been dismantled. Under an inter-governmental agreement, approximately 1,000 kilometers of access roads, 4,000 kilometers of power cable, 900 kilometers of communication cable, residential facilities, and other property have

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been transferred to Kazakhstan. Residential facilities at the former ICBM base in Zhangiz-Tobe have been turned into a correctional camp under the authority of the Kazakhstani Ministry of Internal Affairs. The United States is assisting Kazakhstan in the reclamation of land on the territory of former missile launching facilities.

Sources:

20 August 1996
COGEMA, KATEP SET UP JOINT VENTURE
The French nuclear fuel cycle company Cogema and Kazakhstan National Atomic Power Engineering and Industry Company (KATEP) set up a joint venture, Katko, to develop uranium resources in Kazakhstan. Cogema and its Kazakhstani partners each hold 45% of Katko's stock. KATEP holds 29% of the Kazakh share and the rest is owned by two other state entities, Volkovgeologiya (9%) and the Main Mining Division (7%). The remaining 10 percent of shares is held by "a certain number" of unnamed investors, mainly Swiss. One of Katko's initial projects is to study the feasibility of using in-situ leaching methods on deposits in Moinkum. Nominal production capacity at the Moinkum deposit is estimated as 700 MTU/year.

29 August 1996
LAST ICBM SILO IN KAZAKHSTAN DISMANTLED
The last (104th) SS-18 missile silo on Kazakhstani soil was eliminated in Derzhavinsk on 8/29/96. On 9/5/96, Kazakhstani President Nursultan Nazarbayev sent a letter to Russian President Boris Yeltsin stating that, under the START I Treaty, Kazakhstan has, with Russia's assistance, fulfilled its international obligations concerning the elimination of strategic weapons on its territory. A US on-site inspection team is to visit the facility in order to confirm the decommissioning of all START I treaty - accountable launchers in Kazakhstan.

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9 September 1996

KAZAKHSTAN-IAEA CONFERENCE ON IN-SITU LEACHING, USE OF CONVICTS IN URANIUM MINES

In Almaty, the Kazakhstani Ministry of Science, Kazakhstani National Joint Stock Atomic Power Engineering and Industry Company (KATEP), and an IAEA technical committee held a conference on in-situ leaching technology for uranium mining. Representatives from 15 countries, including the United States, Canada, France, Japan, Russia, Ukraine, and Uzbekistan, participated in the conference. At the conference, KATEP president Viktor Yazikov said that a special six-country commission visited Kazakhstani mines in 1995 and confirmed that Kazakhstan does not use convicts in uranium mines.


11 September 1996

CIS URANIUM PRICES INCREASED

Due to the tightening supply in the international uranium market, the price of uranium produced in the CIS (CIS member states Kazakhstan and Uzbekistan are among the 10 top world producers) has doubled since the beginning of 1995. Kazakhstan has announced that it is planning to increase its uranium production capacity. According to President of KATEP Victor Yazikov, the increase in uranium production can be hampered by considerable debts of Kazakhstani uranium enterprises. The export of uranium by the CIS is limited by US and EU anti-dumping quotas imposed because these countries are concerned about becoming too dependent on CIS material.


14 October 1996

KAZAKHSTANI URANIUM QUOTA INCREASED

The quota for imports of Kazak uranium into the US over the next six months has been increased from 500,000 pounds of U3O8 (192 tU) to 700,000 pounds of U3O8 (269 tU) following an increase in the US Department of Commerce's calculated market price ($15.78 per pound).


24 October 1996

KAZAKHSTAN TO SELL MINING FACILITIES TO FOREIGN FIRMS

It was reported that World Wide Minerals (Canada) obtained the right to buy 90% of the shares of the Tselinnyy uranium mining and milling complex in Akmolinsk oblast in exchange for investments, the amount of which was

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not disclosed. The Kazakhstani government also plans to transfer to foreign investors a number of other uranium facilities, including a recently declassified mine in Kzyl Orda oblast and the Ulba plant in Eastern Kazakhstan. Earlier plans of the Kazakhstani government to transfer the Ulba plant to the Russian financial group Interros and the Swiss firm Zambeli Holding Finife SA were not successful. The management of the Ulba plant wants to enter the joint stock company TVEL in order to receive guarantees from the Russian government for the purchase of nuclear fuel from Ulba for Russian nuclear power stations.


21 November 1996
MINING WORKERS PROTEST DELAYS IN SALARIES
It was reported that workers of the Tselinnyy Mining and Chemical Combine conducted meetings protesting 5-month delays in payment of salaries and the lack of electricity and heat in the town of Stepnogorsk.


28 January 1997
KAZATOMPROM TO ISSUE LICENSES FOR URANIUM MINING
It was reported that, in accordance with a governmental resolution, the newly established company Kazatomprom will be responsible for issuing licenses to manage the Moinkum, Uvanas, Kanzhugan, North and South Karamurun, Irkol, Kharasan, Budennovskoye, and Mynkuduk (Akdala and Vostochnyy sections) deposits. Kazatomprom could be also given some shares in the Kazakhstani-German-Canadian joint venture Inkay. The state, represented by Kazatomprom, will thus have a stake in enterprises prospecting, extracting, and processing uranium in Kazakhstan.


February 1997
PRIME MINISTER SIGNS DECREE TO FURTHER URANIUM INDUSTRY DEVELOPMENT
Prime Minister Akezhan Kazhegeldin signed the Decree "On additional measures to deepen reform and further development of the uranium industry and atomic energy in the Republic of Kazakhstan." This decree is aimed at reforming Kazakhstan’s nuclear industry and fulfilling Kazakhstan’s obligations to the Nonproliferation Treaty (NPT) and safeguard agreements with the IAEA. The decree lays out further responsibilities for the Kazatomprom joint venture: to attract foreign partners to develop the deposits of Moinkum along with Katko joint enterprise; to take part in further governmental discussions in developing Kazakhstan’s nuclear fuel and atomic energy industry with other countries in both the CIS and the world; to participate in international organizations involved in nuclear industry; to prepare intergovernmental agreements investigating dumping of nuclear materials and dual-use materials; to secure transportation and storage of nuclear material and dual-use items; and to secure information on uranium deposits in Kazakhstan. The decree also entrusts the Enterprise Reorganization Agency to carry out financial appraisals of Ulba Metallurgy Plant, Volkovgeologiya, Ore Administration No. 6, Stepnoy Ore Administration, and the Tsentralnoy Ore Administration and to work out a payment schedule to eradicate their financial debts. The decree eases the financial burden of these enterprises by securing the transfer of social facilities and responsibilities to local and municipal governments. The Kazakhstani government is now turning to

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implementing a single policy of regulating production and utilizing nuclear materials and dual-use items, observing international treaties, and adhering to obligations set up by Kazakhstani participants of the Inkai and Katko international joint ventures. The decree states that the Ministry of Industry and Trade, together with Kazatomprom, will present proposals to Inkai and Katko on the volume of nuclear materials and dual-use items for export and import.


11 April 1997
KAZAKHSTAN EXPORTED 7000t OF URANIUM FROM 1993 TO 1996
The head of the Kazakhstani State Corporation for Atomic Power and Industry (KATEP) Viktor Yazikov told Interfax that between 1993 and 1996 Kazakhstan exported 7000 metric tons (t) of uranium. He stated that nearly 3000t of that amount was shipped to the United States. Yazikov estimated that another 540t of uranium would be exported to the United States during the first half of 1997.


15 August 1997
KYRGYZSTAN AND KAZAKHSTAN CREATE A URANIUM PROCESSING JOINT VENTURE
Kazakhstani Deputy Prime Minister Umirzak Shukeyev and Kyrgyzstani Prime Minister Apas Szhumagulov signed an agreement in Bishkek to establish a new uranium processing joint venture at the Kara-Balta mining complex.[1] The venture will initially process up to 1000 MT of Kazakhstani U308 per year, increasing to 2000 MT U308 per year.[2] The enterprise plans to process 450 MT in 1998.[3] Kazatomprom will own a 65 percent share of the joint venture, while Kara-Balta will own 35 percent.[2] The agreement plans to add Tajikistan's Leninabad Mining and Metallurgical Combine Number 6 to the joint venture at an unspecified later date.[4] One unnamed official stated that the purpose behind the Kazakh-Kyrgyz enterprise is to direct the normal processing route away from Tselinnyy Mining and Chemical Combine in northern Kazakhstan. The Tselinnyy facility has remained inoperative since Spring 1997 after the Kazakhstani government annulled an agreement with the former managing contractor, World Wide Minerals.[2] Deputy General Director of Kara-Balta Anatoliy Grebenyuk stated that while Russia will be the primary recipient of the new venture's processed uranium, the United States, Germany, Japan, and France have also shown interest in purchasing their uranium.[4]


October 1997
INKAI PROJECT DIGS TEST MINE
Construction of a test mine is under way at the Inkai ISL Uranium Project, located in the Chu-Sarysu basin of southern Kazakhstan. Operated as a joint venture between the Canadian firms Uranerz and Cameco and the Kazakhstan State Corporation for Atomic Power and Industry (KATEP), the Inkai test mine will produce 118,000 lbs
of U3O8 annually. If larger-scale production proves feasible, the partners anticipate that the Inkai mines will produce 1 million lbs of U3O8 annually beginning in 1999, increasing to 2.6 million lbs per year beginning in about 2003.


30 October 1997
KAZAKHSTAN RATIFIES IAEA AGREEMENT
Kazakhstan ratified the 1959 Agreement on the Privileges and Immunities of the International Atomic Energy Agency under the provisions of a law signed by President Nursultan Nazarbayev.


8 December 1997
USEC ASKS FOR CONTROLS ON KAZAKHSTANI URANIUM
On 8 December 1997 USEC and an ad hoc commission of US uranium producers filed a complaint with the US Department of Commerce (DOC) on a proposed amendment to the Kazakhstan suspension agreement. They stated that the amendment would allow brokers and uranium traders to make deals that would hurt the US uranium industry. They wanted stricter controls over uranium from Kazakhstan imported into the United States for processing and subsequent re-export. The amendment allows for up to six million pounds of U3O8 to be imported to the United States for 36 months. USEC and its domestic supporters fear that Nukem and its partner General Electric will take advantage of the situation and arrange to import large quantities of enriched Kazakhstani uranium. Such shipments of uranium could reduce domestic utilities' demand for uranium for enrichment. The DOC has already approved one such shipment.


10 February 1998
RADIATION SAFETY LAW PASSED
On 10 February 1998, Kazakhstanskaya pravda reported that the law On the radiation safety of the population, which determines regulations for the maintenance of radiation safety in work with sources of ionizing radiation, food production, drinking water, and medical research, was accepted on the first reading. (The exact date of passage was not given.) The law also introduces a system of licensing, including implementation of technical inspection at facilities.

—Olga Kovalenko, "Radiatsiya v zakone?" Kazakhstanskaya pravda, no. 27, 10 February 1998.

23 February 1998
KYRGYZSTANI-KAZAKHSTANI URANIUM VENTURE PUT ON HOLD
The uranium processing joint venture that Kazakhstan and Kyrgyzstan agreed to on 15 August 1997 (see abstract below) has been indefinitely postponed, due to the Kyrgyzstani State Property Committee’s failure to approve the deal. However, the appointment of new leadership for the State Property Committee in 1998 could expedite a final

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KAZAKHSTANI BANKS LEND CAPITAL TO URANIUM INDUSTRY

Narodniy Bank and Kazkommertsbank, two Kazakhstani commercial banks, agreed to lend $62.4 million to the Kazakhstani uranium industry via Kazatomprom, the state-owned nuclear industry company. The Tselinnyy Mining and Chemical Combine will receive $23.5 million, the Ulba Metallurgy Plant $20.4 million, and Kazatomprom uranium mines $18.5 million. Kazatomprom President Kadyr Baikenov said that the loans will "help to revitalize the uranium industry, to integrate it with the Russian uranium industry." Baikenov also noted that the new capital should generate profits of $130 million in 1998, and that the uranium sector's output could rise to $180 million by 2003. The terms of the loan are "soft," according to Baikenov, with 18 percent interest over a period of six years and a three-year grace period on the principal. The banks have received $200 million worth of collateral, including $150 million in commodity output and contracts of the Ulba plant, assets of the Tselinny plant, uranium reserves at Tselinny, and three Kazatomprom uranium mines. Ulba plant director Yuriy Tuzyev said that he understood the concerns of Ulba shareholders over the large collateral, but that like Baikenov he saw "no alternative to long term credits and development programs to alleviate the industry's crisis."

—Interfax, 22 April 1998.

CANADIAN FIRM SUES KAZAKHSTAN FOR BREACH OF TSELINNYY CONTRACT

World Wide Minerals, a multinational corporation headquartered in Toronto, Canada, is suing the Kazakhstani government over Kazakhstan’s unilateral cancellation of its contract to operate the Tselinnyy Mining and Chemical Combine (TsGKhK) in Stepnogorsk. The suit, filed in the US district court for the District of Columbia, asks for $220 million in damages. [1, 2] The cancelled contract, signed in October 1996, assigned to World Wide’s Kazakhstani subsidiary, KazUran, the responsibility for managing TsGKhK. The contract also gave World Wide Minerals an option to purchase a 90 percent equity interest in the combine. [2] In return addition, the contract requires that World Wide Minerals invest $150 million in TsGKhK over five years. [3] KazUran invested $20 million in 1997, according to KazUran Vice President Yuriy Mover [3, 5], and restarted production of uranium at TsGKhK on 21 March 1997, planning to produce 1.8 million lbs of U3O8 in 1997. [4] Although the plant produced 50 MT of uranium for export to the United States, the Kazakhstani government refused to issue KazUran a license to export the uranium produced at Tselinny. Meanwhile, local authorities demanded that KazUran assume responsibility for city infrastructure and services, including street cleaning. In addition, workers staged a strike on 14 July 1997 to protest unpaid wages. [5, 7, 8] The government demanded that KazUran pay $1.3 million in wage arrears on 25 July 1997, and when this payment was not received, the Kazakhstani State Property Committee cancelled the contract with World Wide Minerals and transferred management of the Tselinny combine to the state-owned Kazatomprom on 1 August 1997. [6, 7] World Wide Minerals and KazUran appealed to the State Property Committee to reverse its decision, but when this appeal failed, World Wide brought action in the US court. KazUran Vice President Igor Anchevski contended that KazUran was hamstrung by fierce "under the table" competition, and that Russian and other companies did everything they could to prevent his firm from operating

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KAZAKHSTAN CALLS FOR FISSILE MATERIAL CUTOFF TREATY

At a plenary meeting of the Conference on Disarmament (CD) in June 1998, Kazakhstani representative Kasymzhomart Tokayev called for the CD to commence negotiations on a fissile material cutoff treaty without delay and emphasized that any such treaty must be non-discriminatory and involve all states possessing fissile material. Tokayev also stated that Kazakhstan was ready to join the NSG and has been abiding by NSG governing principles in its exports of nuclear materials and technology since 1997.


KAZAKHSTANI PRIME MINISTER SEEKS MORE URANIUM EXPORTS TO US

Kazakhstani Prime Minister Nurlan Balgimbayev, on 27 August 1998, asked visiting US Senator Richard Lugar to help gain permission for the free export of uranium from Kazakhstan to the United States. Although Kazakhstani President Nursultan Nazarbayev secured an understanding on uranium exports during his visit to the United States in November 1997, the issue is now being considered by the US Department of Commerce.


MISSILE SILOS IN KAZAKHSTAN TO BE DESTROYED BY NOVEMBER 1998

S. Denison Keeney, contracts manager for ABB/Brown & Root, the firm contracted to demolish ICBM silos in Kazakhstan, said on 9 September 1998 that all missile silos remaining in Kazakhstan will be destroyed by November 1998.

—CNS Interview with S. Denison Keeney of ABB/Brown & Root, 9 September 1998, KAZ980909.

KAZAKHSTAN SEEKING SWU QUOTA

NuclearFuel reported on 2 November 1998 that Kazakhstan was seeking a quota to be able to import to the United States 360,000 SWU per year from 1999 to 2004. Under the Kazakhstani proposal, USEC will have the right of first

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refusal to buy Kazakhstani SWU. The Oil, Chemical, and Atomic Workers (OCAW) union did not receive the proposal well, but might agree to the import of up to 100,000 SWU for processing and re-export only. According to Tom Wilner from Shearman & Sterling, who represents Kazakhstan, USEC is strongly opposed to any SWU quota. On a separate note, USEC and an ad hoc committee of uranium mining companies asked the US Department of Commerce to review its decision to allow importation of 20MT of Kazakhstani enriched uranium for processing by a General Electric fuel plant. Kazakhstan may decide in November 1998 to terminate its suspension agreement, Kazakhstani officials say, if the SWU proposal is rejected, the 20MT agreement is rescinded, and no counteroffers are made.


10 November 1998

KAZAKHSTAN PLANS TO TERMINATE URANIUM SUSPENSION AGREEMENT

On 10 November 1998 Kazakhstan formally announced its plans to terminate the uranium suspension agreement with the US Department of Commerce (DOC). The termination will become effective in 60 days, but Kazakhstan indicated that it might rescind its decision if DOC offers an SWU quota (see entry below). If DOC investigators conclude that Kazakhstani uranium was sold in the United States at less than a fair market price, the case may be moved to the International Trade Commission (ITC), and an antidumping duty order may be issued by DOC if the ITC finds that US industry has been hurt by uranium imports from Kazakhstan. Bolar Nurgaliyev, the Kazakhstani ambassador to the United States, expressed regret in a letter that accompanied Kazakhstan's formal notice of intent to terminate the suspension agreement. He wrote that the agreement had to be terminated for commercial reasons, such as the inability of Kazakhstan to sell uranium to third countries.


14 January 1999

KAZATOMPROM SIGNS CONTRACT WITH TVEL

In Moscow on 14 January 1999, Mukhtar Dzhakishev, President of Kazatomprom, signed a contract with the Russian nuclear fuel company TVEL. The contract is intended to ensure orders for the Ulba Metallurgical Plant. The talks also ensure further cooperation between Russia and Kazakhstan. Dzhakishev said in an interview that Kazatomprom's goal is to make Kazakhstan a world leader in the mining and production of uranium by the year 2005. Kazatomprom predicts that the sale of world stockpiles of uranium will continue until 2010, with a peak in sales occurring in 2001. This will be followed by a decline, and prices will accordingly begin to rise. While the rest of the world reduces its production of uranium, Kazakhstan will increase the scope of its mining by four to five times. Other plans include the sale of more highly enriched uranium products, the manufacture of new types of fuel for nuclear reactors, and the joint manufacture of fuel assemblies with Russian ventures. Kazatomprom is also moving toward privatization, but has not yet been privatized due to its current financial difficulties. To make Kazatomprom an attractive investment, talks are being conducted to get credit from western banks, and there are now several proposals for credit in amounts from $25 to $70 million. Once received, the credit is to be used in the creation of new jobs, new mines, and new production at the Ulba Metallurgical Plant. Kazatomprom expects to turn a profit

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this year after a long period of operating at a loss.

23 February 1999

**CANADIAN FIRM PLANS TO NAME NEW DEFENDANTS IN TSELINNYY BREACH OF CONTRACT AFFAIR**

On 23 February 1999, Canada's World Wide Minerals Ltd. announced that it had named Nukem Inc. as an additional defendant in the lawsuit it filed with a Washington, DC court against the Kazakhstani government and Kazakhstan’s uranium production and marketing agent Kazatomprom. The suit was filed following Kazakhstan’s unilateral cancellation in July 1997 of the Canadian firm's contract to operate the Tselinnyy Mining and Chemical Combine (TsGKhK) in Stepnogorsk. (See entry for 6/2/98.) World Wide Minerals maintains that Kazakhstan granted uranium marketing rights to Nukem in violation of an agreement with the Canadian company. World Wide Minerals has also notified international companies known to handle, process, or purchase uranium concentrates from Kazakhstan that they may be named as defendants as well. Among the notified companies are Cameco Corporation, ConverDyn (a subdivision of AlliedSignal, Inc.), British Nuclear Fuels, Comurhex (a subdivision of the company Cogema), Synatom, Cogema, and General Electric. World Wide Minerals, which seeks compensation for damages, referred in its notifications to the Racketeering Influenced and Corrupt Organizations (RICO) Act, claiming the companies can be charged using this act.


16 April 1999

**TSELINNYY COMBINE SOLD TO ISRAELI FIRM**

The Tselinnyy Mining and Chemical Combine was sold on 16 April 1999 to Sabton Limited, a subsidiary, registered in Cyprus, of the Israeli-owned Africa Israel Investment Ltd. The purchase price was 36 million tenge ($316,000 as of 16 April 1999). Sabton, which outbid Kazatomprom for the Tselinnyy combine, must pay 320 million tenge ($2.8 million) in back wages and debts, compensate Kazatomprom for its expenses on financing the plant prior to the sale, and present a long-term investment plan. Previous attempts to sell the combine in January and February 1999 failed due to lack of interested buyers.

—"Kazakhstan sells one of largest uranium plants in CIS," Interfax, No.3, 16 April 1999.

13 July 1999

**KAZAKHSTAN WINS ANTI-DUMPING SUIT**

The United States International Trade Commission (ITC) unanimously ruled on 13 July 1999 that Kazakhstan did not dump uranium on the US market in 1991-1998. The ITC further found that sales of Kazakhstani uranium at below market prices do not negatively impact US companies, and therefore there is no reason to impose anti-dumping penalties on Kazakhstan. The ruling brings to conclusion an anti-dumping suit brought by US uranium producers in 1991, suspended in 1992, and resumed at the end of 1998. The ITC further stated that even if Kazakhstan were to export 100% of its natural uranium production to the United States, the volume of uranium imports would not rise to a "significant or injurious level." The ITC also ruled that under a US Department of Commerce (DOC) decision that enrichment confers origin of the uranium product, uranium enriched in the USSR and shipped to Kazakhstan

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before the USSR dissolved in 1991 is not a product of Kazakhstan for purposes of the antidumping determination. In a footnote to the ruling, the ITC noted that the same DOC decision does not indicate that conversion of yellowcake or uranium hexafluoride into uranium oxide in Kazakhstan would confer Kazakhstan origin on the product. Noting these findings, the US Enrichment Corporation (USEC) was expected to ask DOC to clarify the origin of Soviet-produced enriched uranium product in Kazakhstan. If DOC declares this product to be Russian in origin, it would be subject to the Russian uranium suspension agreement.


30 July 1999

KAZATOMPROM FORECASTS MAJOR GROWTH IN URANIUM PRODUCTION

According to Kazatomprom President Mukhtar Dzhakishev, Kazatomprom forecasts that its uranium production will rise 37 percent in 1999. Speaking to local journalists on 30 July 1999, Dzhakishev said that in the first half of 1999, production of uranium ore increased by 31.4 percent over 1998, yellowcake production grew 41.5 percent, fuel pellet production was up 16.7 percent, and production of beryllium and uranium rose 14 percent. New joint ventures with Cogema and Cameco will bring three new mines into production, leading to further increases next year. Kazatomprom plans to invest $8-9 million in uranium production in 1999. Commenting on the 13 July 1999 ITC anti-dumping ruling, Dzhakishev said that Kazakhstan uranium would now be accessible to all US companies, but at higher prices. Although Kazakhstan was unlikely to export uranium to the United States in 1999, Dzhakishev said, Kazatomprom will start negotiating with US customers in the near future.


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