

OFFICIAL

ONR/NGO Forum – 28 March 2019	
Title	Update on UK SSAC Project
From	ONR SSAC Project Team
Date	Issued 22 March 2019
Status	For information

1. PURPOSE

1.1 This paper is to update members of the NGO forum on the UK State System of Accountancy for and Control of Nuclear Material (SSAC) project.

2. BACKGROUND TO THE PROJECT

- 2.1 As part of its preparations for Brexit, the government announced its commitment to leaving the European Atomic Energy Community (Euratom). As a result, the UK will need to establish a UK SSAC to meet international safeguards obligations. ONR's SSAC project is therefore working to establish a UK SSAC that enables the UK to meet international safeguards obligations from 29 March 2019. Government policy is that a future domestic safeguards regime should be equivalent in effectiveness and coverage to that currently provided by Euratom. ONR will therefore build upon the SSAC from March 2019 to deliver, by the end of December 2020, a regime that meets government's policy commitment of equivalence.
- 2.2 The Nuclear Safeguards Act 2018 amends The Energy Act 2013 to give ONR the necessary powers to deliver a UK SSAC. The Nuclear Safeguards (EU Exit) Regulations 2019, which completed their passage through Parliament on 22 January 2019, set out the detail of the new domestic safeguards regime. ONR worked closely with government through the development of the regulations, which were the subject of public consultation.

3. UK SSAC PROJECT

- 3.1 SSAC Project Progress: Significant progress has been made in establishing a UK SSAC. The project has met its recruitment and training targets for delivery of a regime that enables the UK to meet its international safeguards obligations from 29 March 2019, with 20 safeguards frontline regulatory staff in post. This includes four nuclear material accountants. As well as progressing through the ONR warranting process, the team have benefited from bespoke nuclear material accountancy training delivered by the International Atomic Energy Agency (IAEA), and Euratom member state safeguards training.
- 3.2 On 7 January 2019 the project entered a period of parallel operation ("parallel running") alongside Euratom, which tests the operation of the SSAC in a 'like live' manner. The Safeguards Information Management and Reporting IT System (SIMRS) is live and operating as part of parallel running. Parallel running includes

OFFICIAL

checking and processing reports from operators through SIMRS and producing the declarations required by the IAEA to enable the UK to meet its international obligations. We have put in place an operational structure internally, with individuals appointed to roles including: leads for operations, accountancy and inspection; nominated lead inspectors for all operator sites; nuclear material accountancy specialists, and support staff. The purpose of the parallel run phase is to identify and deal with any issues within our processes and systems before going live, and to gain experience of operations.

- 3.3 Parallel running has progressed well; we have successfully identified and rectified issues with the reporting processes as planned, and have submitted the required reports to the IAEA. We are confident we will be ready to deliver a UK SSAC that enables the UK to meet international safeguards obligations from 29 March 2019, if required.
- 3.4 Reflecting the important and growing role of safeguards within ONR, from 2 January 2019 our Civil Nuclear Security division changed its name to Civil Nuclear Security and Safeguards. From April 2019, ONR's Strategic Theme one, as set out in our Corporate Plan, will become 'Influencing improvements in nuclear safety, security and safeguards.'
- 3.5 **Industry engagement:** We held our second UK SSAC industry day in London on 31 January. Attendees included representatives from the Department for Business, Energy and Industrial Strategy (BEIS), large operators, and small holders of nuclear material. We provided an update on project progress and discussed draft ONR guidance for nuclear material accountants and safeguards inspectors, as well as ONR regulatory expectations for Accountancy and Control Plans an operator requirement of the Nuclear Safeguards Regulations. Attendees were highly engaged and feedback was positive.
- 3.6 We have published the draft guidance on the ONR website and invited comment as we continue to develop it. Comments are welcome from all stakeholders; information on how to submit comments is provided on the <u>safeguards page of our website</u>. We will continue to engage closely with industry to ensure that they are ready for the handover of safeguards responsibilities from Euratom to ONR, and understand in detail what this means for them.
- 3.6 International benchmarking: Key project team members and senior BEIS officials undertook a benchmarking visit to the Canadian Nuclear Safety Commission (CNSC) in October 2018. The aim of this visit was to learn from the CNSC's decades of experience in implementing a SSAC. The visit was successful; we covered a broad range of topics and were reassured that our future approach and regulatory framework represents good practice. Further benchmarking is planned with our French and Finnish counterparts in March and May respectively.