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**A NEW REVIEW ON WORLD URANIUM RESOURCES,
PRODUCTION AND DEMAND**

In the past several years, the world uranium market has been marked by persistent uncertainty affecting both uranium producers and consumers world-wide. With world nuclear capacity expanding and uranium production satisfying only about 60 per cent of demand, uranium stockpiles continue to be depleted at a high rate. The uncertainty related to the remaining levels of world uranium stockpiles and to the amount of surplus defence material that will be entering the market makes it difficult to determine when a closer balance between uranium supply and demand will be reached.

This is one of the major findings of the just published report *Uranium: Resources, Production and Demand* (also known as the "Red Book"), jointly prepared by the OECD Nuclear Energy Agency (NEA) and the International Atomic Energy Agency (IAEA). This world report, the foremost reference on uranium, is based on official information from 59 countries and includes compilations of statistics on resources, exploration, production and demand as of 1 January 1997.

As of 1 January 1997, the world Known Conventional Resources recoverable at \$130 per kilogram of uranium, or less, amounted to some 4.3 million tU (tonnes of Uranium). Total Reasonably Assured Resources (RAR) recoverable at \$80/kgU or less were about 2.3 million tU.

Although the amount of exploration activities was still quite low compared with the early 1980s, exploration expenditures increased in 18 of the 26 reporting countries. Currently, most exploration activities (accounting for 83 per cent of expenditures) are taking place in Australia, Canada, Egypt, India, the Russian Federation, the United States and Uzbekistan, and to a lesser extent in France, Gabon, Mongolia and Romania.

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News Media Contact: Jacques de la Ferté - (33) 01 45 24 10 10
e-mail : news.contact@nea.fr - WWW:<http://www.nea.fr/>

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World uranium production increased to 36 200 tU in 1996, up 9 per cent from 1995. In 1996, twenty-three countries produced uranium, including Germany which recovered uranium in association with its industry closure programme. The ten major producers (Australia, Canada, Kazakhstan, Namibia, Niger, the Russian Federation, South Africa, Ukraine, USA and Uzbekistan) contributed about 90 per cent of the output.

A projection of world uranium production capability through 2015 is provided in the report. The uranium production will undergo considerable change over the 1997-2005 period. Until 2000, the plant capacity utilisation is expected to remain at about 85 per cent, representing about 70 per cent of 1996 requirements. With the expected closure of some facilities after 2000, the remaining existing and committed capability by 2015 corresponds to less than 50 per cent of projected requirements.

World annual reactor-related requirements of nuclear power plants in 1996 were estimated at about 60 500 tonnes of natural uranium equivalent. World reactor-related uranium requirements are projected to increase to between 62 500 tonnes and 82 800 tonnes by 2015, depending on the level of world nuclear capacity reached at that time.

The report also notes that concerns about longer term security of supply of fossil fuels and the heightened awareness that nuclear power plants are environmentally clean with respect to acid rain and greenhouse gas emissions might contribute to even higher than projected growth in uranium demand over the long-term. In particular, the increasing importance of the debate on greenhouse gases and global warming could increase public acceptance of nuclear power as a valid alternative within the framework of long-term sustainable development.

The report provides substantial new information from all of the major uranium producing centres in Africa, Australia, Eastern Europe, North America and the New Independent States, including the first-ever official reports on uranium production in Estonia, Mongolia, the Russian Federation and Uzbekistan. It also contains an international expert analysis of industry statistics and world-wide projections of nuclear energy growth, uranium requirements and uranium supply.

“URANIUM: RESOURCES, PRODUCTION AND DEMAND”

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