

Australia needs to stop being the ‘missing link’ in yellowcake exports to India

2 May, 2013

International Mining newswire



A former Australian Deputy High Commissioner to India has warned that Australia’s uranium industry “needs to stop being the missing link and prepare itself for the Indian opportunity” presented by the thawed Federal Government attitude to exporting Australian yellowcake to India. Speaking from New Delhi on the eve of today’s *Paydirt 2013 Uranium Conference in Adelaide* where he will be a keynote speaker, Rakesh Ahuja said the implications for Australia of India’s quest for energy

security could not be ignored. “India is actively scouting for uranium imports to feed its expanding atomic power infrastructure and for prospective investments in related assets overseas,” Ahuja said. “It has already signed supply agreements with Canada, Russia, Mongolia, Kazakhstan and Namibia. Major western players and Japan are negotiating the transfer of state-of-the-art nuclear energy technology to India.

“Australia has now approved the sale of uranium to India subject to a rigorous bilateral Safeguards Agreement, which is under negotiation. There is no doubt that once the Agreement is signed, opportunities for Australian uranium exports to India, and for attracting Indian inward investment in this sector, will rise dramatically,” he said.

“Australia’s uranium sector has several factors in its favour in this regard including competitive pricing, commercial transparency and proven logistics – but the local uranium industry needs to recognise the emerging opportunities.”

Ahuja said India’s economic growth remained vulnerable to energy insecurity. “By 2030, India’s energy import dependency is expected to exceed 53% of total energy consumption. It already imports 75% of its oil needs, 20% of its gas and 20% of its coal – the latter including billions of dollars worth of coal from Australia. If the plausible target of 6-7% GDP growth is to be met, increased power generation is an imperative.

“India sees nuclear power as a vital alternative to its massive fossil fuel dependency. It aims to increase nuclear power generation from 4,780 MW to 20,000 MW by 2020.

“India has an impressive civilian nuclear power program. However, its existing nuclear power plants are operating at below average capacity because of uranium shortages – and yet more are coming on stream.”

Ahuja commented that Australia possessed more than 42% of the world’s proven low-cost uranium reserves. “The Australian uranium industry can play a major role in satisfying India’s hunger for energy resources – and thus promote Australia’s long-term economic and political interests in a country of increasing significance in the Indo-Pacific region,” he said.