



COMPLIANCE CODE FOR CLASS R1 PERMITS

Compliance Code History

VERSION	DATE OF EFFECT	DESCRIPTION
1	31/03/2016	Compliance Code first issue.
2	21/04/2021	This Variation – New section 2.2, incorporation of definitions section, minor updates to various conditions.
3		

Purpose

The purpose of this Compliance Code is to establish a standard set of requirements for the systems of Nuclear Material Accounting and Control and *Nuclear Security* for all Class R1 Permits to Possess Nuclear Material issued under section 13 of *the Act*. It also sets out forms for the submission of applications, notifications and reports.

Scope

This Compliance Code applies to a Permit to Possess Nuclear Material issued under section 13 of *the Act* identified under paragraph 3 of the Permit as a Class R1 Permit. The requirements of the code apply to all *nuclear material* in the possession of the Permit Holder except *nuclear material* which is declared under section 11 of *the Act* as exempt from the application of Part II of *the Act*.

For the purpose of this Compliance Code, *nuclear security* will be taken to apply to *nuclear material* including depleted uranium, but not to include other radioactive materials.

1. Nuclear Material Accounting and Control (NMAC) System

The Permit Holder shall:

- 1.1. keep an *inventory* listing of *nuclear material* up to date;
- 1.2. ensure all batches of *nuclear material* on the Permit Holder's *inventory* are identified using the serial numbers where available or otherwise labelled with unique identification markings in a way that enables timely matching with batch numbers assigned by ASNO;
- 1.3. maintain organisational arrangements enabling the Permit Holder to determine the precise location of any material on the Permit Holder's *inventory* in less than 2 hours;
- 1.4. keep up-to-date records of:
 - 1.4.1 transfers of *nuclear material* to and from the Permit Holder; and
 - 1.4.2 transfers of *nuclear material* which are brokered by the Permit Holder;
- 1.5. conduct a Physical Inventory Taking (stocktake) not more than thirty (30) days prior to and no later than 30 June each year (or other dates as specified by ASNO in advance), of any *nuclear material* on the *inventory*;
- 1.6. maintain organisational arrangements to detect any *loss of control* of *nuclear material* listed on the *inventory* within 7 days; and
- 1.7. retain records of holdings and transfers of *nuclear material* for a period of 5 years.



2. Security Measures

- 2.1. The Permit Holder shall maintain *security* measures for preventing the theft, loss or unauthorised handling of *nuclear material* and its associated records including:
 - 2.1.1 restricting access to *nuclear material* to persons who need to access such material;
 - 2.1.2 securing *nuclear material* in a lockable room or container or, for *nuclear material* incorporated into equipment, securing the equipment; and
 - 2.1.3 maintaining documentary records associated with the Permit conditions (e.g. defined access list, log in/out sheet).
- 2.2. The Permit Holder shall promptly notify the *Director General* within 2 hours of detection of each incident under Form ASO201 of:
 - 2.2.1 a *loss of control* including actual, attempted or suspected theft, loss or compromise of *nuclear material*;
 - 2.2.2 an unauthorised access to or use of *nuclear material*; or
 - 2.2.3 a failure of the *security* measures.

3. Reports, Notifications and Requests for Approvals

- 3.1. The Permit Holder or *Designated Individual* shall report to, notify or apply to the *Director General* as appropriate for each activity or item listed in section 4.
- 3.2. Each such report, notification or application shall be made by completing the specified forms listed in section 4 or using other formats as approved by ASNO.
- 3.3. The reports, notifications or applications shall be delivered to the *Director General* in accordance with the reporting requirements specified on the respective form.
- 3.4. For domestic and international transfers, the Permit Holder shall:
 - 3.4.1 provide an annual report (as at 30 June) to ASNO and submit the report by the 5th of July of the same year (or other dates as specified by ASNO in advance), including:
 - a) Physical Inventory Taking as described in section 1.5, including the location of each item of *nuclear material*;
 - b) all *inventory* changes that occurred during the reporting period; and
 - c) list of customers for which transfers of items of *nuclear material* have been brokered during the reporting period and unique identification details (serial numbers where available) for each item (if applicable);
 - 3.4.2 obtain ASNO approval for all international or domestic transfers and receipts of *nuclear material* under the Permit, for *nuclear material* over 50kg in accordance with the reporting timeframes and forms.
- 3.5. The Permit Holder shall provide *inventory* reporting on any *nuclear material* subject to a prescribed international agreement in a manner specified in writing by ASNO.



4. ASNO Forms

The Permit Holder shall use the forms listed in sections 4.1-4.3 available at <https://www.dfat.gov.au/asno>, as amended from time to time or the equivalent on ASNO's online portal (the NUMBAT database portal <https://numbat.dfat.gov.au>).

4.1. Application Forms

APPLICATION FORMS TO CONDUCT CERTAIN ACTIONS: ¹	TIMEFRAME LIMITS FOR APPLICATIONS, NOTICE OR REPORTING: ^{2, 3}	FORM TO USE:
Application to Transfer Material (Import, Export or Domestic Transfer)	- 7 day notice	ASO106
Application to Consume, Dilute or Dispose of Nuclear Material or Associated Item ⁴	- 7 day notice	ASO108
Application to Create or Remove an Approved Location	- 7 day notice	ASO112
Application to Vary the Disposition of Material such that it will Become Unavailable for Verification	- 14 day notice	ASO128

4.2. Notification Forms

NOTIFICATION IS REQUIRED FOR: ¹	TIMEFRAME LIMITS FOR APPLICATIONS, NOTICE OR REPORTING: ²	FORM TO USE:
Notification of an Incident	- Report incidents by phone within 2 hrs. of detection - submit form within 4 hrs.	ASO201
Notification of Designation of an Individual		ASO214
Notification of Change to Permit Holder's Particulars	- Within 10 days of effect of change	ASO231

4.3. Report Forms

REQUIRED REPORTS: ¹	TIMEFRAME LIMITS FOR APPLICATIONS, NOTICE OR REPORTING: ²	FORM TO USE:
Report on Incident Investigation	- Within 10 days of initial report	ASO303
Inventory Listing (Nuclear Materials and Associated Materials)	- 5 days after the physical inventory taking date set in section 1.5	ASO310
Ledger Page	- Report monthly transactions or - 5 days after the physical inventory taking date set in section 1.5	ASO311
Initial inventory listing		ASO323

¹ Each report, notification or application should be made by the *Permit Holder's Representative* or by a *Designated Individual* as notified under ASO214, responsible for compliance with that application requirement.

² Refer to related form for detailed timeframe requirements. All days refer to consecutive business days.

³ For events requiring approval forms, the event must not take place before ASNO approval is granted.

⁴ *Nuclear material* may only be disposed of in such a way that the *nuclear material* will become practicably irrecoverable.



5. Definitions

(the) Act	The <i>Nuclear Non-Proliferation (Safeguards) Act 1987</i> .
Additional Protocol	The Protocol Additional to the <i>Agency Agreement</i> (INFCIRC/217/Add.1) that entered into force on 12 December 1997.
(the) Agency	The International Atomic Energy Agency (IAEA).
Agency Agreement	The Agreement between Australia and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons (INFCIRC/217), being the Agreement which was signed on behalf of Australia on 10 July 1974, a copy of which is set out in Schedule 3 of <i>the Act</i> .
Agency Inspector	A person declared, pursuant to subsection 57(2), to be an Agency inspector for the purposes of <i>the Act</i> .
ASNO	The Australian Safeguards and Non-Proliferation Office.
ASNO Inspector	A person appointed as an inspector pursuant to subsection 57(1) of <i>the Act</i> .
Designated Individual(s)	Individual(s) to whom the <i>Permit Holder's Representative</i> delegates some of the responsibility and authority with respect to compliance with the Permit.
Director General	The Director General of the Australian Safeguards and Non-Proliferation Office.
Inventory	The entire physical stock of <i>nuclear material</i> , irrespective of its form or usefulness, held by the Permit Holder.
Loss of Control (of material)	The Permit Holder has lost the ability to apply the Permit conditions (on a continuous basis) to <i>nuclear material</i> including <i>UOC</i> or associated items (including technology, material or equipment).
Nuclear Material	Source and special fissionable material the same as in <i>the Act</i> but for the purposes of the Permit excludes material that has been deemed by ASNO as practicably irrecoverable (Schedule 3, Article 11 of <i>the Act</i>) or material that is the subject of an exemption or termination declaration under section 11 of <i>the Act</i> .
Nuclear Security also Security	<p>The prevention of, detection of, and response to, criminal or intentional unauthorised acts involving or directed at <i>nuclear material</i>, nuclear facilities and associated items.</p> <p><i>NOTE: The Act</i> refers to physical security, which in relation to the protection of <i>nuclear material</i>, is defined as nuclear security or physical protection consistent with IAEA guidance material, and for the protection of associated items, as protective security consistent with the Australian Physical Security Policy Framework (PSPF).</p>



Permit Holder's Representative	The representative of the Permit Holder (i.e. the organisation) who will take responsibility and sign documents on behalf of the organisation. This person must be in a position with sufficient authority to ensure all Permit conditions are met.
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NOTE: Subject to the Administrative Appeals Tribunal Act 1975 and to sub-section 22(8) of the Nuclear Non-Proliferation (Safeguards) Act 1987, application may be made to the Administrative Appeals Tribunal, by or on behalf of a person whose interests are affected by a decision by the Minister, pursuant to sub-section (2) of section 13 of the Act, imposing a condition or restriction on the grant of a Permit, for review of the decision.