

[Home » Politics](#)

Australia signs agreement to supply uranium to India

Move gives greater impetus to strategic ties between the two nations, provides boost to India's energy sector

Last Published: Fri, Sep 05 2014. 10 50 PM IST

Elizabeth Roche

[Sign Up](#)

The nuclear pact was signed after a meeting between Prime Minister Narendra Modi and his Australian counterpart Tony Abbott. Photo: AFP

New Delhi: Australia agreed to sell uranium to India under a pact signed on Friday, giving greater impetus to strategic ties between the two nations and providing a boost to India's energy sector.

Prime Minister **Narendra Modi** and Australian Prime Minister **Tony Abbott** signed the agreement on cooperation in the peaceful uses of nuclear energy in New Delhi. Abbott is the first head of government **Modi** has hosted at a bilateral level after taking office on 26 May.

The nuclear energy pact “recognizes India’s commitment and use of nuclear energy with a view to achieving sustainable development and strengthening energy security,” the foreign ministry said in a statement. “Australia can play the role of a long-term reliable supplies of uranium to India. It provides for supply of uranium, production of radio isotopes, nuclear safety and other areas of cooperation.”

Talks on pact have been underway since Australia, which has about 40% of the world’s known uranium reserves but no nuclear power plants, lifted a ban on selling the uranium to power-starved India in 2012.

Modi described the signing of the civil nuclear cooperation pact as “a historic milestone” in India-Australia relations.

“It is a reflection of a new level of mutual trust and confidence in our relationship and will open a new chapter in our bilateral cooperation,” Modi said. “It will support India’s efforts to fuel its growth with clean energy and minimize the carbon footprint of its growth.”

India operates 20 atomic reactors with a capacity of 4,780 megawatts (MW), or 2% of its total power capacity, according to the **Nuclear Power Corp. of India Ltd.** The Australian government under Labor Party prime minister **Kevin Rudd** had refused to sell radioactive material to India because it had not signed the nuclear non-proliferation treaty (NPT). But his successor **Julia Gillard**, also from the Labor party, worked with her colleagues to overturn the embargo.

In his remarks on the nuclear deal, Abbott said his country decided to sign the pact “because Australia trusts India to do the right thing in this area...Hardly any country on the planet has been a model citizen like India. India has scrupulously dotted every I and crossed every T when it comes to international law. That’s why we are happy to trust India with our uranium in the months and years and decades ahead.”

On cooperation in the strategic space, Modi said India and Australia were looking at holding their first bilateral naval exercise in 2015. “I am also confident that Australia will emerge as a strong strategic partner for India a very important part of our Look East policy,” Modi said, referring to India’s policy of trying to forge closer partnerships with South-East Asian nations.

A joint statement by the two countries said that the two prime ministers were “committed to strengthening the defence and security partnership” and have “agreed to deepen the cooperation between both countries on energy security through a

ministerial-level dialogue. They agreed to develop a strategic partnership on energy and resources.”

The prime ministers “agreed that cooperation on energy - extending to coal, LNG (liquefied natural gas), renewables and uranium-and on resources such as iron ore, copper and gold were key elements of the relationship and committed to intensifying these links” the statement said.

Inviting Australian investments into India, Modi said in his statement said he was keen on Australian participation in infrastructure and high technology areas. “We are concerned about the decline in bilateral trade in the last two years,” he said. “We have committed to an early conclusion of the Comprehensive Economic Cooperation Agreement.”

Abbott said his country looked forward to partnering India in energy, agriculture, education and skill development sectors.

Earlier, in a speech to Indian industry on Friday, Abbott lauded India as “the world’s emerging democratic superpower” adding that “India has proven that economic transformation is quite compatible with robust free speech, independent courts, and democratic checks and balances on government.” India’s “well entrenched democracy, commitment to the rule of law, and habit of lively debate will turn out to be its greatest intangible assets,” Abbott said.

In her remarks, trade minister **Nirmala Sitharaman** regretted that Australian investments into India since 2000 amounted to just \$600 million while Indian investment in Australia was \$11 billion. Australian investment into India represented “0.27% of India’s total foreign direct inflows into India,” she said, adding that eight Australian proposals for investment were pending with various departments of the government.

“The government under Prime Minister Narendra Modi believes in the ease of doing business. We don’t want anything that brings in rough edges,” Sitharaman said. “We solicit investments of Australian companies” in areas such as the flagship Delhi-Mumbai Industrial Corridor project, metallurgy, aviation, fisheries and tourism infrastructure, she said.

Abbott, on his part, noted that bilateral trade in 2013-14 was \$15 billion and acknowledged that “by contrast, two way trade between Australia and China is already running at \$150 billion a year.

Referring to the November meeting of the Group of 20 developing and developed nations to be hosted by Australia, Abbott said both he and Modi “wish to be known as ‘infrastructure prime ministers’ and the G20, fittingly, will focus on mobilizing private capital to address the world’s infrastructure deficit.”

First Published: Fri, Sep 05 2014. 05 13 PM IST

TOPICS:

INDIA

AUSTRALIA

NUCLEAR DEAL

NARENDRA MODI

TONY ABBOTT

EDITOR'S PICKS »



The land challenge underlying India's farm crisis



KKR weighing investment in IL&FS road projects



Windfall for engineers as IT salaries shoot up

Home**Lounge****Specials****Companies****Multimedia****Technology****Opinion****Money****Contact Us****Industry****Science****About Us****Politics****Education****Advertising****Consumer****Sports****Mint Apps****Sitemap****Brand Stories****DesiMartini****Livehindustan****Shine****Subscribe****Hindustantimes****HT Brand Studio****Syndication****HT Brand Leadership Series****HT Punjabi**

Subscribe to our Newsletter**Subscribe**

[Privacy Policy](#)[Terms of Use](#)[Mint Code](#)[RSS](#)

Copyright © 2018 HT Media Ltd. All Rights Reserved