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International Nuclear Export Controls- Department of State Perspectives



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Presentation Outline

- 123 Agreements- What, Why, Who, and When
- Legally Required Nonproliferation Commitments
- 123 Agreements Currently in Force
- U.S. Nuclear Cooperation Goals/Trends
- Nuclear Suppliers Group

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123 Agreements- What and Why

- What is a 123 Agreement?
 - Section 123 of the Atomic Energy Act of 1954 (AEA) is the controlling statute for peaceful nuclear cooperation with other countries
 - A 123 agreement contains a set of nonproliferation conditions on how the partner country maintains U.S.-obligated items
- When is a 123 Agreement required by law?
 - A 123 agreement must be in force for U.S. exports to be licensed
 - Nuclear material (reactor fuel)
 - Reactors
 - Significant reactor components (pressure vessel, complete reactor control rod system, primary coolant pump)

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123 Agreements- Who and When

- Who within the U.S. Government negotiates 123 agreements?
 - Department of State, with the technical assistance and concurrence of the Secretary of Energy
 - Nuclear Regulatory Commission advises in negotiations and its Commission separately provides views to the President
- How does the U.S. decide when to negotiate a 123 agreement and with which governments?
 - National Security Council leads interagency decision making process involving many Cabinet agencies
 - Nonproliferation, political, strategic, and economic factors are all considered

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AEA Section 123(a) Nonproliferation Commitments

- Safeguards guarantees for all non-nuclear weapons states on all transferred nuclear material and equipment
- Full scope safeguards (non nuclear weapons states only)
- Peaceful uses assurances
- Right of return in the event the other party detonates an explosive device or violates/terminates an IAEA agreement for safeguards
- No alteration in form or content, including reprocessing and enrichment, without permission
- No retransfer without U.S. permission
- Physical security guarantees
- U.S. prior approval of storage facilities
- Sensitive nuclear technology obligations

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123 Agreements Currently in Force

- The United States has 23 agreements in force with 50 governments or organizations:

– Argentina	– Morocco
– Australia	– Norway
– Brazil	– Russian Federation
– Canada	– South Africa
– China	– Switzerland
– Egypt	– Turkey
– EURATOM (28 countries)	– Ukraine
– India	– United Arab Emirates
– Indonesia	– Vietnam
– Japan	– International Atomic Energy Agency
– Kazakhstan	– Taiwan (through non-government channels)
– Republic of Korea	

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U.S. Nuclear Cooperation Goals and Trends

- While the U.S. Government first and foremost sees 123 agreements as instruments to advance its nonproliferation objectives, we also use them to advance political, strategic, and economic interests
- As U.S. suppliers are no longer dominant in the international market, the U.S. Government recognizes it must be more flexible and nimble to advance these interests

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Nuclear Suppliers Group

- Voluntary group of 48 participating governments (PGs) that balance security and trade interests
- Contribute to the nonproliferation of nuclear weapons through the implementation of two sets of Guidelines for nuclear exports and nuclear-related exports covering material, equipment, and technology
- NSG Part 1 and Part 2 Guidelines
 - Aim to ensure that nuclear trade for peaceful purposes does not contribute to the proliferation of nuclear weapons or other nuclear explosive devices, and that international trade and cooperation in the nuclear field is not hindered unjustly in the process
 - Any change requires a consensus decision in the NSG

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Nuclear Suppliers Group

- NSG itself does not deny or approve exports
 - PGs have flexibility to implement Guidelines and apply the Trigger and Dual Use Lists
- Goal is to harmonize nuclear cooperation between suppliers/receivers consistent with shared principles
 - Permit the maximum amount of legitimate nuclear and dual use commerce
 - Reduce as practicable licensing burdens on governments and Industry
 - Apply a common, non-discriminatory standard for transfers

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