

Fact Sheet Bureau of European and Eurasian Affairs Washington, DC May 15, 2008

U.S.-Russia Agreement for Peaceful Nuclear Cooperation (123 Agreement)

On May 5, 2008, President Bush approved the U.S.-Russia Agreement for Peaceful Nuclear Cooperation (the so-called 123 Agreement).

On May 6, 2008, Rosatom State Corporation Director General Sergey Kiriyenko and U.S. Ambassador William Burns signed the Agreement in Moscow in equivalent English and Russian texts.

President Bush is expected to transmit soon the Agreement to Congress for the 90 continuous session day review period.

This Agreement represents an historic achievement for the United States and Russia. Once nuclear rivals--today, nuclear partners--the U.S. and Russia now have a framework to develop nuclear energy for peaceful purposes and to advance nuclear energy worldwide while enhancing our joint leadership in preventing nuclear proliferation.

By expanding the ties between our governments and our nuclear industries, this Agreement will add to the strength and stability of the U.S.-Russia relationship as we confront the global challenges of the 21st century.

Conclusion of a 123 Agreement with Russia has been a high U.S. priority over the past year. Our commitment to finalizing a 123 Agreement was highlighted in the July 3, 2007, Declaration on Nuclear Energy and Nonproliferation, and more recently in the Strategic Framework Declaration.

The Agreement will offer significant benefits to both countries.

A 123 Agreement will enhance peaceful nuclear cooperation between the U.S. and Russia--a country with substantial civil nuclear assets and a responsible member state of the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

For the United States, having such an Agreement in place will provide a framework for potential commercial sales of civil nuclear commodities to Russia by U.S. industry.

It will also enhance U.S.-Russia cooperation in developing Global Nuclear Energy Partnership (GNEP) technologies, in particular the development of advanced fast burner reactors, the fuel for which would likely be developed in the United States and transferred to Russia for test irradiation.

The Agreement provides a comprehensive framework for U.S. peaceful nuclear cooperation with Russia based on a longstanding mutual commitment to nuclear nonproliferation.

Section 123 of the U.S. Atomic Energy Act of 1954, as amended (AEA) requires that significant nuclear exports from the United States take place only pursuant to an agreement for peaceful nuclear cooperation with the recipient setting forth specified nonproliferation conditions and controls. Significant nuclear exports include power reactors, research reactors, nuclear material (including reactor fuel), and four major components of reactors.

Such agreements are negotiated by the U.S. Department of State, with the technical assistance and concurrence of the U.S. Department of Energy's National Nuclear Security Administration (NNSA). They are reviewed by the members of the U.S. Nuclear Regulatory Commission, who provide an independent recommendation to the President

Once the President has authorized signature of the proposed agreement and it has been signed, it must be submitted by him to both houses of Congress for review pursuant to section 123 of the AEA. An agreement that satisfies all requirements of the AEA may be brought into force after completion of a Congressional review period of 90 continuous session days (generally about four to six calendar months) unless legislation has been enacted to disapprove it.

Negotiations on the proposed U.S.-Russia Agreement for Cooperation in the Field of Peaceful Uses of Nuclear Energy, begun in October 2006, were essentially completed in April 2007 following negotiating rounds in Washington, Moscow and Vienna. Texts of the Agreement in English and Russian were initialed in Moscow on June 29, 2007, and referred to capitals for review.

The U.S.-Russia Agreement satisfies all applicable U.S. legal requirements for an agreement of its type with a nuclear weapon state as defined by the NPT. Therefore, it may be brought into force by an exchange of diplomatic notes at the close of the Congressional review period unless legislation is enacted to disapprove it.

It has a term of 30 years, and permits the transfer of technology, material, equipment (including reactors), and components for nuclear research and nuclear power production.

The Agreement does not permit transfers of any Restricted Data, and permits transfers under the Agreement of sensitive nuclear technology, sensitive nuclear facilities (such as facilities for enrichment or reprocessing), and major critical components of such facilities by amendment of the Agreement.

In the event the Agreement is terminated, key nonproliferation conditions and controls continue with respect to material and equipment subject to it.



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