Panel 3-2
Nuclear Cooperation with Non-NPT states

Background and discussion points

Moderator
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Panel 3-2
Nuclear Cooperation with Non-NPT states (Background)

NPT (adopted in 1968 and entered into force in 1970)
Article 3.2 is interpreted to require item-specific safeguards (INFCIRC66-type) for the transfer of nuclear equipment and material to any non-nuclear-weapon State.

Revision of NSG Guidelines (1992)
Paragraph 4(a) requires the acceptance of full-scope safeguards (INFCIRC153-type) for the transfer of nuclear equipment, material and technology to a non-nuclear-weapon State
=Non-NPT states (which do not accept full-scope safeguards) are denied access to nuclear equipment, material and technology unless the transfer corresponds to two exceptional cases.
The Conference reaffirms that new supply arrangements for the transfer of source and special fissile material or equipment or material especially designed or prepared for the processing, use or production of special fissionable material should require, as a necessary precondition, acceptance of IAEA full-scope safeguards and internationally legally binding commitments not to acquire nuclear weapons or other nuclear explosive devices."
Panel 3-2
Nuclear Cooperation with India (Brief History)

• **July 2005**
  Joint Statement by President Bush and Prime Minister Singh
  
  **U.S. commitments**
  ✓ To adjust U.S. laws and policies as well as to adjust international regimes to enable nuclear cooperation with India
  
  **India’s Commitment (Seven commitments)**
  ✓ To identify and separate civilian and military nuclear facilities and
  ✓ To taking a decision to place voluntarily its civilian nuclear facilities under IAEA safeguards;
  ✓ To sign and adhere to an Additional Protocol
  ✓ To continuing India's unilateral moratorium on nuclear testing, etc

• **March 2006**
  Identification of civilian nuclear facilities subject to safeguards(Separation plan)
Panel 3-2
Nuclear Cooperation with India (Brief History)

• **August 2008**
  Approval of IAEA safeguards agreement with India by IAEA Board of Governors

• **September 2008**
  NSG Decision by consensus on the exemption of supply of nuclear equipment and material from the full-scope safeguards requirement of guidelines

• **October 2008**
  Approval of U.S.-India nuclear cooperation agreement in the U.S. Congress
  Signature of the Agreement

• **December 2008**
  Entry into force of U.S.-India nuclear cooperation agreement
### Status of nuclear cooperation between India and major supplier states

<table>
<thead>
<tr>
<th>Country</th>
<th>Status</th>
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<tbody>
<tr>
<td>U.S.</td>
<td>Status of nuclear cooperation</td>
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<tr>
<td></td>
<td>Bilateral nuclear cooperation agreement was signed on October 10, 2008 and entered into force on December 6, 2008</td>
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<td>GE Hitachi and Westinghouse signed MOU for the construction of reactors in India with Nuclear Power Corporation of India Limited (NPCIL) on March 20, 2009 and on May 28, 2009, respectively</td>
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<td>Reprocessing arrangement was signed on July 30, 2010</td>
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<tr>
<td>France</td>
<td>Bilateral nuclear cooperation agreement was signed on September 30, 2008 and entered into force on January 14, 2010</td>
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<td>AREVA and NPCIL signed the agreement on the sale of two EPRs and the fuel for these reactors on December 6, 2010</td>
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<tr>
<td>Russia</td>
<td>Bilateral nuclear cooperation agreement was signed on December 7, 2009</td>
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<td>Department of Atomic Energy and TVEL signed a contract for the long-term supply of fuel</td>
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<tr>
<td>Canada</td>
<td>Bilateral nuclear cooperation agreement was signed on June 28, 2010</td>
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<tr>
<td>Japan</td>
<td>Negotiation of bilateral nuclear cooperation agreement started on June 28, 2010</td>
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**Current status**: Framework for the cooperation has been established and the cooperation has entered into the implementation phase

**Major Remaining issue**: Nuclear liability
Uniqueness of India in the peaceful use of nuclear energy and nuclear non-proliferation

1. Non-NPT Member States
2. Exploded nuclear explosive devices
3. Expansion of nuclear power generation is necessary from the increased energy demand and environmental concern
4. Has been isolated from international nuclear commerce
Cooperation with India from nuclear non-proliferation perspective

Major argument of the U.S. Government

✓ The deal bring India into nuclear non-proliferation mainstream
✓ Net gain for nuclear non-proliferation

Major argument from the nuclear non-proliferation community

✓ Granting of exception from norms damages nuclear non-proliferation regime with NPT as a cornerstone
✓ Free up indigenous natural uranium for the weapon purposes
It is reported that China is interested in the construction of additional reactors in Pakistan.

Three options for China (Mark Hibbs):
- to request an exemption from the NSG guidelines for its trade with Pakistan
- to claim that the export of the reactors is “grandfathered” by a pre-2004 China-Pakistan nuclear cooperation agreement
- to exercise its sovereign right and ignore the guidelines,

Possibility of criteria-based approach for nuclear cooperation with non-NPT states.
1. Significance of nuclear cooperation with India
2. Additional commitments which India is expected to make on nuclear non-proliferation and nuclear disarmament
3. View on the participation of India in Nuclear Suppliers Group
4. View on China-Pakistan Nuclear Cooperation as an implication of nuclear cooperation with India
   Possibility of criteria based approach for the cooperation with NPT non-member states
5. Future possibility of R&D cooperation with India
6. Others (nuclear liability, etc)