

AGREEMENT
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE RUSSIAN FEDERATION
CONCERNING
COOPERATION FOR THE TRANSFER OF RUSSIAN-PRODUCED
RESEARCH REACTOR NUCLEAR FUEL TO THE RUSSIAN FEDERATION

The Government of the United States of America and the Government of the Russian Federation, hereinafter referred to as the "Parties",

SEEKING to promote the non-proliferation of nuclear weapons and other nuclear explosive devices in accordance with the Treaty on the Non-Proliferation of Nuclear Weapons of July 1, 1968, to which both the United States of America and the Russian Federation are parties;

GUIDED by the mutual desire to minimize, and if possible, eliminate, the application of high-enriched-uranium for peaceful uses of nuclear energy;

SEEKING to encourage the conversion of operating research reactors using Russian-produced high-enriched uranium nuclear fuel to low-enriched uranium nuclear fuel;

DESIRING to minimize inventories of high-enriched uranium in non-nuclear weapon states;
and

RECOGNIZING the important role of the International Atomic Energy Agency in addressing the risk of proliferation of nuclear weapons posed by the use of high-enriched uranium in research reactor nuclear fuel;

HAVE AGREED AS FOLLOWS:

ARTICLE I

For purposes of this Agreement:

"Research reactor nuclear fuel (nuclear fuel)" means Russian-produced research reactor fuel assemblies, irradiated research reactor fuel assemblies, and nuclear materials.

"High-enriched uranium (HEU)" means uranium enriched to 20% or more in the isotope U-235.

"Low-enriched uranium (LEU)" means uranium enriched to less than 20% in the isotope U-235.

"Management of nuclear fuel" means the handling and treatment (including reprocessing) of the nuclear fuel transferred to the Russian Federation, nuclear material derived therefrom, and radioactive waste produced as a result of reprocessing.

"Eligible country" means a country which meets the following criteria:

- a. has one or more research reactors of Russian design, either operating or shut down, at the time of entry into force of this Agreement;
- b. has nuclear fuel;
- c. agrees to transfer that nuclear fuel to the Russian Federation; and
- d. with respect to which the Parties agree that the transfer of that nuclear fuel from that country to the Russian Federation would advance the objectives of nuclear non-proliferation.

ARTICLE II

1. The objective of this Agreement is to facilitate the transfer from eligible countries to the Russian Federation of nuclear fuel, containing either HEU or LEU, to the extent that such nuclear fuel transfer contributes to shared nuclear non-proliferation goals of the Parties, followed by the safe and secure management of nuclear fuel transferred to the Russian Federation.

2. The Parties will seek to encourage Member States of the International Atomic Energy Agency (IAEA) to provide financial and technical support, where required, for the activities contemplated by this Agreement.

ARTICLE III

1. Each Party shall designate an Executive Agent to implement this Agreement. For the Government of the United States of America, the Executive Agent shall be the Department of Energy, unless the Government of the United States of America notifies the Government of the Russian Federation otherwise in writing. For the Government of the Russian Federation, the Executive Agent shall be the Federal Atomic Energy Agency, unless the Government of the Russian Federation notifies the Government of the United States of America otherwise in writing.
2. Each Party may conclude bilateral agreements with the governments of eligible countries, and each Executive Agent may conclude agreements or other arrangements with appropriate agencies and entities of eligible countries, as may be necessary to achieve the objective of this Agreement. When appropriate, each Executive Agent, in accordance with the laws of its country, may utilize other agencies and entities, and may enter into contracts or other agreements with them, to assist in the implementation of this Agreement.
3. The Executive Agents may enter into implementing agreements and arrangements with each other as necessary and appropriate to carry out this Agreement. In the case of inconsistency between the provisions of this Agreement and the implementing agreements or arrangements, the provisions of this Agreement shall prevail.

ARTICLE IV

1. The Government of the Russian Federation shall allow the transfer of nuclear fuel from an eligible country to the Russian Federation if the following conditions are met:
 - a. The eligible country has agreed to the transfer of nuclear fuel to the Russian Federation without compensation by the Russian Federation;

- b. The transfer of nuclear fuel is to take place in accordance with Russian Federation legislation related to the use of atomic energy and environmental protection;
 - c. The costs to implement the activities contemplated by this Agreement are financed by the eligible country, the United States of America, or a third party.
2. The decision to return to the eligible country radioactive waste resulting from management of nuclear fuel in the Russian Federation shall be made jointly by the Government of the Russian Federation and the government of the eligible country.

ARTICLE V

The Parties understand that agreed costs and other terms and conditions necessary to accomplish the objective of this Agreement will be set forth in contracts and other agreements between designated entities of the Russian Federation and designated agencies and entities of the eligible countries.

ARTICLE VI

1. The Government of the United States of America may provide financial assistance to an eligible country to cover the costs related to the transfer of nuclear fuel to the Russian Federation.
2. The Government of the United States of America may provide financial assistance for the transfer of nuclear fuel to the Russian Federation from eligible countries where the following conditions are met:
 - a. Reactor Conversion or Shutdown. The eligible country:
 - A. has agreed to convert its operating research reactor(s) using Russian-produced HEU nuclear fuel to LEU nuclear fuel provided that suitable LEU nuclear fuel, licensed by the eligible country's national regulatory authority, is available; and the research reactor's existing inventory of HEU nuclear fuel is exhausted; or
 - B. has agreed to permanently shut down the reactor(s); or

C. has shut down the reactor(s) at the time of entry into force of this Agreement.

- b. Priority to HEU nuclear fuel transfer to the Russian Federation: Whenever possible, all available nuclear fuel containing HEU is made available for transfer before any LEU nuclear fuel is transferred.
3. In the event that United States of America financial assistance is used to pay costs related to the transfer of nuclear fuel, the Government of the Russian Federation agrees that the following conditions will apply to such nuclear fuel transferred and any nuclear material derived therefrom:
 - a. Effective physical protection, accounting and control measures shall be maintained, taking into account the recommendations published in IAEA document INFCIRC/225/Rev.4, The Physical Protection of Nuclear Material, or in its subsequent revisions accepted by the Parties.
 - b. LEU nuclear fuel transferred to the Russian Federation or LEU obtained from HEU nuclear fuel transferred to the Russian Federation under this Agreement shall not be re-enriched to HEU.
 - c. Nuclear fuel transferred to the Russian Federation under this Agreement and any nuclear material derived therefrom shall not be used for any nuclear explosive device or for research on, or development of, any nuclear explosive device, or for any other military purpose.
 - d. Nuclear fuel transferred to the Russian Federation under this Agreement and any nuclear material, except radioactive waste, derived therefrom shall not be removed from the Russian Federation and shall not be transferred from the jurisdiction of the Russian Federation.
4. The activities of the Government of the United States of America under this Agreement are subject to the availability of appropriated funds.

ARTICLE VII

1. The Parties shall establish a Joint Coordinating Committee (JCC). Each Party shall designate its members on the JCC. The Co-Chairs of the JCC shall be representatives of the Parties' Executive Agents. Meetings of the JCC shall be convened periodically upon agreement of the Co-Chairs of the JCC but not less than once a year, alternately in the United States of America and in the Russian Federation unless otherwise agreed. Decisions of the JCC shall be made on the basis of consensus.
2. The responsibilities of the JCC shall include:
 - a. Determine the priority areas of activity to fulfill the objective of this Agreement;
 - b. Develop plans of joint actions and implementing mechanisms to coordinate and implement activities under this Agreement;
 - c. Review the progress of implementation of this Agreement and resolve issues that may arise in the course of its implementation;
 - d. Organize annual and other meetings on the progress of implementation of the Agreement; and
 - e. Discuss and draft, if necessary, recommendations to the Parties concerning amendments to this Agreement as well as proposals to the Parties for resolving disputes that are not resolved at the JCC level.

ARTICLE VIII

1. Under this Agreement, no United States of America-originated classified information or Russian-originated state secret information shall be exchanged.
2. The information transmitted under this Agreement or developed as a result of its implementation and considered by the United States of America as "sensitive" or by the Russian Federation as "konfidentsialnaya" must be clearly designated and marked as such.

3. "Sensitive" or "konfidentsialnaya" information shall be handled in accordance with the laws of the state of the Party receiving such information, and this information shall not be disclosed and shall not be transmitted to any third party not participating in the implementation of this Agreement without the written consent of the Party transmitting this information.
 - a. According to the laws and regulations of the United States of America, such information shall be treated as "foreign government information", provided in confidence. Such information shall be protected in accordance with the laws and regulations of the United States of America.
 - b. According to the legislation of the Russian Federation, such information shall be treated as "for official use." Such information shall be protected in accordance with the legislation of the Russian Federation.
4. Information transmitted under this Agreement shall be used only in accordance with this Agreement.
5. The Parties shall minimize the number of persons having access to information that is designated "sensitive" or "konfidentsialnaya" information in accordance with Paragraph 2 of this Article.

ARTICLE IX

1. This Agreement shall enter into force upon signature, and shall remain in force for 10 years.
2. This Agreement may be amended or extended by written agreement of the Parties.
3. Either Party may terminate this Agreement by giving 90 days' written notice to the other Party.
4. Notwithstanding the termination or expiration of this Agreement or any cessation of cooperation hereunder for any reason, Paragraph 3 of Article VI and Article VIII shall continue in force.

- 5. A nuclear fuel transfer to the Russian Federation from an eligible country that was initiated, but not completed at the termination of this Agreement, may continue to completion under the terms of this Agreement.

- 6. Any disputes concerning the interpretation or application of this Agreement shall be settled by consultations between the Parties.

DONE at Moscow, this twenty-seventh day of May, 2004, in duplicate, in the English and Russian languages, each text being equally authentic.


FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA:


FOR THE GOVERNMENT OF
THE RUSSIAN FEDERATION: