

**REVIEWING THE CIVIL NUCLEAR
AGREEMENT IN SOUTH KOREA**

HEARING

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS

UNITED STATES SENATE

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REVIEWING THE CIVIL NUCLEAR AGREEMENT IN SOUTH KOREA

THURSDAY, OCTOBER 1, 2015

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 10:48 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Bob Corker (chairman of the committee) presiding.

Present: Senators Corker, Risch, Flake, Perdue, Isakson, Barrasso, Cardin, Menendez, Shaheen, Coons, Udall, Murphy, and Markey.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. Today, and I am going to have a slightly longer opening statement. I apologize. There are technical facts that I would like to be out there. I want to thank everybody for being here.

Today we are here to review our second civil nuclear cooperation agreement this year, the fourth in the Asia-Pacific region in the past 2 years. While we focus in on the agreement before us with South Korea, I would remind my colleagues that in the past 2 years we have also entered into agreements with Taiwan, Vietnam, and China. In reviewing this agreement, we must weigh the impacts of its contents on our global nuclear proliferation objective against the political and economic benefits of these arrangements.

Each of the previously mentioned agreements has very different approaches to addressing the key nuclear proliferation concern—should the United States support the continued spread of fuel cycle technologies, namely enrichment and reprocessing capabilities? I do hope we will really think about the details of this today.

South Korea is one of our closest allies in the Asia-Pacific region, and our strong tradition of nuclear cooperation and collaboration remains an important element of our partnership. This is an issue that I have had the opportunity to discuss, and many of you have with President Park, both in Seoul and here in Washington. It is also important that we consider how this agreement could potentially impact U.S. strategic interests in the Asia-Pacific, particularly the security and stability of the Korean Peninsula.

The agreement before us represents a continuation of the relationship that originally began in 1974 with the agreement between the United States and the Republic of Korea Concerning Peaceful Uses of Nuclear Energy. This agreement has already been extended

once by Congress to accommodate a failure to agree on new terms and will now expire on March 19, 2016.

Since that first agreement was reached in 1974, the dynamics on the Korean Peninsula have changed. In 1975, South Korea joined the NPT. In 1985, North Korea joined the NPT. In 1986, U.S. intelligence became aware of an undeclared plutonium production reactor and reprocessing plant, and subsequently announced its intent to withdraw from the NPT in 2003. In 1992, the South and the North agreed to a joint declaration in which both parties agreed not to possess nuclear reprocessing and uranium enrichment capabilities. Since that time, North Korea has demonstrated a growing nuclear weapons capability, including both plutonium and uranium enrichment capacities.

Given this unique security situation on the Korean Peninsula, I believe it is imperative that we closely examine the agreement before us, specifically how it addresses the issue of pyroprocessing. This agreement allows South Korea to operate the advanced spent fuel conditioning process facility, which is the first step in pyroprocessing. And it further provides the ability to enrich uranium up to 20 percent, though South Korea currently has no enrichment capability.

Today I hope we will learn why this administration chose to include these capabilities in the agreement, and how they match up with our bilateral, regional, and global nonproliferation objectives. Perhaps our witness could also address how the approval of these technologies to South Korea, and, most recently, the acceptance of enrichment by Iran, will impact our ability to negotiate agreements with other partners, such as Saudi Arabia and Jordan, that would restrict E&R capabilities.

I do understand the civil nuclear cooperation between the United States and South Korea has brought many economic benefits, including the sale of United States nuclear reactors, the transfer of United States reactor technology, and participation in South Korea's export of nuclear technologies, which has generated substantial income for the United States nuclear industry and grown thousands of jobs in the United States. And I know we will hear about these attributes from our witness. That said, and I have said this before, I am concerned that the current administration has taken an economics/industry first, national security second, approach to entering into these 123 agreements.

In closing, the United States must lead with high standards that prevent the proliferation of technologies if we are to have a credible and effective nuclear proliferation policy. I have concerns that elements of this agreement miss that mark.

I want to thank Tom Countryman for joining us today to review the components of this agreement, and look forward to working with him and his colleagues on this and future 123 agreements. And I just want to say that Tom is someone we all respect, and I know he is working for the administration, and I know he is going to give good testimony on their behalf. But I have to say we continue to let the camel nose under the tent, and I think that we are sending very mixed signals about what our commitment really is to nuclear proliferation by the type of agreements that we are entering into.

So with that, Senator Cardin, I look forward to your comments.

**OPENING STATEMENT OF HON. BEN CARDIN,
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Well, thank you, Mr. Chairman. Thank you for bringing us forward on this hearing, and, Secretary Countryman, it is nice to have you here again before our committee.

As has been pointed out, we have had a long relationship with the Republic of Korea on nuclear issues that dates back 50 years. The negotiation of this 123 agreement extension or new agreement has taken longer than we, I think, originally anticipated with a 2-year extension that was approved, and then now a 20-year agreement. Normally these are 30-year agreements, so obviously there were some tough negotiations that took place during this period of time.

But I think we should underscore the very close relationship between the United States and the Republic of Korea in our interest to complete a 123 agreement. First and foremost, it is about the safety of the use of nuclear power. It is also about the economic advantages. The principal suppliers are going to be United States companies, and we are now working in partnership with the Republic of Korea and the United Arab Emirates, which is showing that we are gaining economic strength globally as a result of these 123 agreements. So I think for all those reasons, it is important that we move forward on a 123 agreement with Korea.

This is certainly a broader relationship we have here. This is a country that we literally sacrificed on the battlefield in order to say it is a country that shares our values. It is a country that we work very closely with on the challenges we have on the Korean Peninsula with North Korea. So this is a country where we have a deep and enduring relationship.

And, Mr. Chairman, let me say that tens of thousands of Korean Americans who live in my State of Maryland have helped foster that close relationship between our two countries. So there are a lot of reasons to move forward here.

Also, I must say I am a supporter of nuclear power. I think nuclear power is critically important for our national security issues and for environmental issues. And here, this is another example of a responsible, predictable agreement that allows for the safe use of nuclear power by an ally in France. So for all those reasons, I think the 123 agreement is one that we should support.

My own reading of this agreement is that it is a fair compromise that was struck to resolve the issue that you raised, which is that the United States and the Republic of Korea will continue to study the potential of power processing, which is a new type of technology for reprocessing spent nuclear fuels. Until the United States and Republic of Korea's joint study of this technology is completed, no decision will be reached about whether the Republic of Korea can move forward with this technology. And even after the study is finished, the ultimate authority for approving the reprocessing activities will rest with the Secretary of Energy.

This agreement will allow us to continue to deepen our cooperation with the Republic of Korea, which is particularly important as we work together on the region's energy future, climate change,

and on a closer United States-Korea alliance. This agreement reflects the partnership and the enduring bonds between our two nations, and I urge us to support this agreement.

Obviously there is a process for review. I have introduced legislation to support it, and I hope Congress will continue to show our support for the relationship between the United States and the Republic of Korea.

The CHAIRMAN. Thank you, Senator Cardin. We will now turn to our witness. Joining us to provide testimony today is the Honorable Thomas M. Countryman. He currently serves as the Assistant Secretary of State for International Security and Nonproliferation. In this capacity, Mr. Countryman leads the Bureau at the head of the U.S. effort to prevent the spread of nuclear, chemical, and biological weapons, their related materials, and their delivery systems.

I want to thank you for being here to share your thoughts and viewpoints. I know you understand we would love to hear your verbal points in five minutes, so if you have any other materials, without objection, they will be entered into the record.

And with that, we would like to recognize you and thank you for your service to our country.

STATEMENT OF HON. THOMAS M. COUNTRYMAN, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL SECURITY AND NONPROLIFERATION, U.S. DEPARTMENT OF STATE, WASHINGTON, DC

Mr. COUNTRYMAN. Thank you, Mr. Chairman. Mr. Chairman and Ranking Member Cardin, I value your kind words to me, and I value just as much your tough questions. I have submitted a witness statement, but orally today I would say that it is a pleasure to testify on the President's submission of an agreement for peaceful nuclear cooperation between the United States and the Republic of Korea.

The ROK is a key ally in East Asia, as you have noted, and this agreement is an example of the increasing strength of our bilateral relationship. It will enhance the strategic partnership between the United States and South Korea across the spectrum of political, economic, energy, science, and technology issues. It is in the best interests of the United States to continue our nuclear cooperation with South Korea.

I thank this committee as well as your colleagues in the House Foreign Affairs Committee for your leadership and support in extending the prior 123 agreement for a period of 2 years until 2016. This extension gave us the extra time and space we needed to work with our partners to achieve a balanced text that satisfies the needs of both countries.

As usual, we have briefed members and staff extensively on this agreement, but I will recount a few high points. As with all our 123 agreements, this agreement is first and foremost an asset to advance U.S. nonproliferation policy. It contains all of the nonproliferation guarantees required by the Atomic Energy Act. It includes conditions related to IAEA safeguards, peaceful use assurance, physical protection assurance, and U.S. consent rights on storage, retransfer, enrichment, and reprocessing of the U.S. obligated nuclear material.

It allows for the continuation and the expansion of our robust and mutually beneficial trade relationship. It establishes a new standing high-level bilateral commission for our two governments to work together to advance nuclear cooperation. The Commission's working groups will focus on spent fuel management, assured fuel supply, nuclear security—I am a little stunned, sir.

This agreement establishes U.S. consent rights on any future possible enrichment or reprocessing of U.S.-obligated nuclear material, but it also contains a set of pathways toward a possible U.S. Government decision in the future on whether to grant consent to the ROK to enrich or reprocess U.S.-obligated nuclear material.

The ROK is one of the strongest partners of the United States, has consistently displayed a commitment to nuclear nonproliferation. It is a leader in the four multilateral export control regimes in the Global Nuclear Security Summit process, and, of course, a strong ally in addressing the threat posed by North Korea's nuclear and missile programs.

In short, this agreement is one of the most sophisticated and dynamic, peaceful nuclear cooperation agreements we have ever negotiated. When it enters into force, it will provide a strong foundation for our shared peaceful nuclear cooperation and our non-proliferation objectives for years to come.

Thank you.

[The prepared statement of Mr. Countryman follows:]

PREPARED STATEMENT OF ASSISTANT SECRETARY THOMAS M. COUNTRYMAN

Mr. Chairman and Ranking Member, good afternoon. It is a pleasure to testify before the committee today regarding the President's submission of an Agreement for Peaceful Nuclear Cooperation between the United States and the Republic of Korea. As you know, the ROK is a key ally of the United States in East Asia, and this Agreement is an example of the increasing strength of our bilateral relationship. The Agreement will enhance the strategic relationship between the United States and the ROK across the spectrum of political, economic, energy, science, and technology issues. The United States and the ROK have had a strong partnership in the field of peaceful nuclear cooperation for more than half a century, and the United States is pleased that the ROK has become one of the world's leading nations in the development of peaceful uses of nuclear energy. The terms of the new U.S.-ROK 123 Agreement strongly reaffirm the two governments' shared commitment to nonproliferation as the cornerstone of our nuclear cooperation relationship.

The ROK has a strong track record on and has consistently reiterated its commitment to nonproliferation. It has been an extremely active partner with the United States across a wide breadth of bilateral and multilateral activities designed to ensure the implementation of the highest standards of safety, security, and non-proliferation worldwide. I would like to explain why the administration believes it is in the best interests of the United States to continue our nuclear cooperation with the ROK.

DESCRIPTION OF AGREEMENT

I would like to begin by thanking this committee as well as our colleagues in the House Foreign Affairs Committee for your leadership and support in extending the prior 123 Agreement with the ROK for a period of 2 years until 2016. The authority to extend the agreement that you provided gave us the extra time we needed to work together with our ROK partners to achieve a balanced text that satisfies the needs of both governments.

As with all our 123 agreements, this Agreement is first and foremost an asset that advances U.S. nonproliferation policy objectives. The President's transmittal of the Agreement, and the Nuclear Proliferation Assessment Statement that accompanied it, include a detailed description of the contents of the Agreement so I will not repeat that here, but the Agreement contains all the U.S. nonproliferation guarantees required by the Atomic Energy Act and common to 123 agreements, including conditions related to International Atomic Energy Agency (IAEA) safeguards, peace-

ful uses assurances, physical protection assurances, and U.S. consent rights on storage, retransfer, enrichment, and reprocessing of U.S.-obligated nuclear material. It also has an initial duration of 20 years with one automatic 5-year extension.

A unique feature of the Agreement is the establishment of a new standing, High-Level Bilateral Commission for our two governments to work together to advance mutual nuclear cooperation objectives. The Commission will be led on our side by the Deputy Secretary of Energy and on the ROK side by a Vice Minister of Foreign Affairs. As described in the text of the Agreement, the Commission will consist of four working groups, one on spent fuel management, one on assuring a stable fuel supply globally, a third on nuclear security, and finally a working group to address the promotion of exports and export control cooperation. This new Commission will allow for more regular interaction between our two governments on the state of nuclear energy in both countries. We expect these interactions to both deepen our bilateral nuclear cooperation relationship politically and to make further progress in tackling some of our shared challenges facing the future of the civil nuclear energy industry.

As you know, the United States and the ROK agreed to commence a 10-year Joint Fuel Cycle Study in 2011 to explore strategies to address shared challenges. The Study is exploring the technical and economic feasibility and the nonproliferation acceptability of pyroprocessing and of other spent fuel management options. U.S. and ROK technical experts are working together to advance technical cooperation on the storage, transportation, and disposal of spent nuclear fuel, and we expect the results of the Joint Study to inform the work of the High Level Bilateral Commission going forward. In addition to the cooperation to occur under the High Level Bilateral Commission and in the Joint Fuel Cycle Study, the Agreement also identifies other areas for future research and development collaboration, including nuclear safety, safeguards, radioactive waste management, and the development, construction, and operation of reactors.

As highlighted earlier, the Agreement clearly establishes U.S. consent rights on any future possible enrichment or reprocessing of U.S. obligated nuclear material. That said, it also contains a set of pathways toward possible U.S. Government decisions in the future on whether to grant advance consent to the ROK to enrich or reprocess U.S. obligated nuclear material. Through the High Level Bilateral Commission, U.S. and ROK officials will evaluate the technical feasibility, economic viability, safeguardability, and nonproliferation acceptability of potential reprocessing techniques and enrichment options. Any advance consent would require satisfactory outcomes from those studies and subsequent written agreement between the parties. The Secretary of Energy would have the final authority to decide whether or not granting advance consent would significantly increase the risk of proliferation.

ROK AS A NONPROLIFERATION PARTNER

The ROK is one of the United States strongest partners on and has consistently displayed its commitment to nuclear nonproliferation. It is a member of the four multilateral nonproliferation regimes—the Missile Technology Control Regime, Wassenaar Arrangement, Australia Group, and Nuclear Suppliers Group. The ROK served as the Chair of the Nuclear Suppliers Group in 2003–2004, and is scheduled to do so again in 2016–017. The ROK also recently completed its term as Chair of the Hague Code of Conduct Against Ballistic Missile Proliferation. The ROK became a State Party to the Treaty on the Non-Proliferation of Nuclear Weapons on April 23, 1975, and has in force a comprehensive safeguards agreement and Additional Protocol with the International Atomic Energy Agency (IAEA).

The ROK has also demonstrated its commitment to nuclear security and addressing the threat of nuclear terrorism, including through hosting the 2012 Nuclear Security Summit and providing useful contributions to the development of a high-density low enriched uranium fuel. It has also been an active and positive contributor to the summit process since its inception, as well as through its support for the Global Initiative to Combat Nuclear Terrorism and Global Partnership Against the Spread of Weapons and Materials of Mass Destruction. The ROK has ratified key nuclear conventions, including the International Convention for the Suppression of Acts of Nuclear Terrorism and the Amendment to the Convention on the Physical Protection of Nuclear Material. The ROK has been an active participant in the Proliferation Security Initiative (PSI) since 2009, having hosted regional and global meetings and two operational exercises. It has also conducted outreach to states that have not yet endorsed PSI. The ROK has been a consistent advocate of non-proliferation in the IAEA Board of Governors, including support for strengthening safeguards in a variety of contexts.

The ROK Foreign Minister has offered to chair the IAEA's 2016 Nuclear Security Conference. The ROK has also been a strong and close partner in addressing the threat posed by the Democratic People's Republic of Korea's (DPRK) nuclear and missile programs, including at the IAEA where it has joined the United States in addressing the DPRK's growing nuclear threat and holding the DPRK to its denuclearization commitments and obligations, and advocating for a continued strong role for the IAEA in the complete, verifiable, and irreversible denuclearization of the Korean Peninsula.

ECONOMIC AND POLITICAL BENEFITS

In addition to the many nonproliferation benefits of continuing our nuclear cooperation with the ROK, the agreement allows for the continuation and expansion of our robust and mutually beneficial trade relationship. For example, the United States provides fuel supply services to the ROK, and the ROK supplies the United States with significant reactor components such as pressure vessels. Due to this trade relationship, the 2009 contract between the ROK and the United Arab Emirates to build four reactors has already brought hundreds of new jobs and approximately \$2 billion in additional revenue to U.S. nuclear suppliers, and the Agreement would allow this type of cooperation to continue and flourish in the future.

The ROK nuclear program owes much to the United States but has now emerged as a world leader in nuclear energy, nuclear nonproliferation, and nuclear security. The U.S.-ROK partnership in nuclear energy is emblematic of our broader partnership and a great asset in our own efforts in these areas.

CONCLUSION

In sum, we believe the nonproliferation and economic benefits of this agreement demonstrate that continuing nuclear cooperation with the ROK is in the best interests of the United States. The Agreement is one of the most sophisticated and dynamic peaceful nuclear cooperation agreements we have ever negotiated, which speaks to the state-of-the-art nature of the ROK's peaceful nuclear program and the many characteristics that our two nuclear programs share in common. Once it enters into force, this Agreement will be a significant achievement for both our governments and provide a strong foundation for our shared peaceful nuclear cooperation and nonproliferation objectives for decades to come.

Mr. Chairman and Ranking Member, thank you.

Senator CARDIN [presiding]. Thank you very much for your testimony. Senator Perdue, I am prepared to yield if you have questions that you would like to ask.

Senator PERDUE. I just have one very quickly, but I appreciate that. Thank you, Mr. Secretary, for being here again. I am very concerned about what we have just done with Iran. I know that the ranking member is as well. We are moving forward. Now we have this negotiation with a great ally, and I appreciate your efforts there.

I would just like to pursue the need for South Korea's desire to enrich. I mean, it is just that simple. I know we have got this study group. We are going to be looking at this, and I applaud that, but I am very concerned. Let me put that in perspective for the record.

As we looked at this in the Iran negotiation or conversation, there are about 190 NPT countries today, nine of which—well, not all of these are in the NPT. There are five countries in NPT that today have a nuclear weapon. There are four—North Korea, Israel, Pakistan, and India—that are non-NPT, but do have weapons. There are five countries, and now six including Iran, that have civil nuclear programs and are allowed to enrichment under NPT: Germany, Holland, Japan, Brazil, and Argentina. And then there are 18 countries, of which South Korea is a member, that have civil programs that are not allowed to enrichment.

So the question is: Under what circumstances does it make sense for us to start looking at these 18 countries and others, as the ex-

ample of Iran, to start enrichment? The supply chain I know was mentioned by the Iranians and so forth, which I find to be fairly hollow. It seems to me that this is a first step, and this barrier for decades has been very effective in preventing uncontrolled proliferation.

So could you give us your comments for the record on that?

Mr. COUNTRYMAN. Yes, several points. First, when you talk about states allowed or not allowed to enrich, it is not under the NPT. The Non-Proliferation Treaty does not grant or deny states the right to—the so-called right to enrich.

Senator PERDUE. Thank you. I misspoke. Thank you.

Mr. COUNTRYMAN. But under U.S. agreements, there are a limited number of states who developed independently of U.S. technology a capability to enrichment and/or reprocess. And the recognition of that indigenous capability is contained in a number of our 123 agreements. The Iran agreement, of course, does not provide a right to enrichment, and, most importantly, it is not a 123 agreement. It does not allow for civil nuclear cooperation between the United States and Iran.

Overall, what I would say about enrichment specifically is that the market works. There is a surplus of enrichment capacity in the world for those states who wish to develop nuclear power. They can purchase the fuel they need on the global market. That is what was always economically ludicrous about Iran's claim that it needed to develop this capacity. In the case of the Republic of Korea, we have agreed that this is a topic we will discuss in the future.

I think it is premature to talk about an ROK desire to enrichment, but it is accurate to talk about an ROK desire to keep that option open. And that is what we have agreed to do in this case.

Senator PERDUE. Thank you, Mr. Secretary. Thank you, Mr. Ranking Member.

Senator CARDIN. Let me—I want to follow up on this a bit because it is unusual, rare, that we give advanced permission to reprocess in a civil nuclear agreement that has only been granted to countries that have already had that technology, as I understand it, such as India, Japan, and Western Europe. So why are we considering it here for the first time in this region? Knowing the Korean Peninsula's sensitivity, why are we including it in this agreement or the options in this agreement?

Mr. COUNTRYMAN. The very shortest answer is because the ROK asked to keep that question open for a future decision based on a variety of issues that we will study together that include technical, economic, of course nonproliferation policy, security issues, and feasibility. And so, we have agreed that the consent decision will not be granted in this agreement. This is not advanced consent, but a consent decision on U.S.-obligated material will be made at a later time.

Senator CARDIN. Now, the next question I am going to ask you, I am a little bit suspect to ask you this question. But in the 1992 Joint Declaration in which North and South Korea agreed that they would not possess nuclear reprocessing or uranium enrichment facilities—knowing the activity in North Korea, it is hard for me to ask you this question. But does the development of pyroprocessing violate the 1992 Joint Declaration?

Mr. COUNTRYMAN. Our current agreement for joint research with the Republic of Korea on certain aspects of pyroprocessing does not violate that agreement. It is technical research at this point. The technology and the knowledge that we have shared with the ROK is strictly limited by a bilateral agreement. So where we are now is not in any way in violation of the Joint Declaration.

Senator CARDIN. But could it—if it goes to its logical conclusion that the Republic of Korea is seeking, could it violate the 1992 Joint Declaration?

Mr. COUNTRYMAN. First, I am not aware. The ROK has not said that they are seeking to build a commercial-scale pyroprocessing plant in the ROK. At that point, we would have some hard decisions to make. But building pyroprocessing with huge economic costs involved as compared to what are today far lower costs for spent fuel storage by other methods, that is not the only logical outcome of this discussion.

Senator CARDIN. So, could you share with this committee the challenges you had in completing this 123? We needed a 2-year extension. It is a 20-year agreement where we normally look today at a 30-year agreement. Can you share with us the thought as to why it took longer than, or, at least initially, anticipated, and why you are entering into a 20-year agreement where normally it would have been a longer agreement?

Mr. COUNTRYMAN. Again, the short answer for why it took a long time, the Republic of Korea, our South Korean friends, are good allies and tough negotiators, and we spent a lot of time going over each sentence in here. They have concerns, perhaps greater on their side than on our side, about how it is perceived politically back in their capital.

And so, we took the extra time to ensure that this technical agreement where we are in agreement on just about everything does not become a political football in either capital. And I think we succeeded well in that.

The 20-year agreement with an automatic 5-year extension was at the suggestion of the Republic of Korea, and as we previously discussed with this committee, there is a preference here to have an upper limit of 30 years for 123 agreements. So we had no objection to a 20+5 arrangement.

Senator CARDIN. Well, you are right about that. I think we do want a limit on the 123s. It was just strange that they would not want a longer agreement. Is there an advantage to the Republic of Korea making this be able to kick out after 20 years? What is their thinking there?

Mr. COUNTRYMAN. Well, I think, and here it is better to ask them. But what I would say is they point to the rapid pace of technological change, and it is possible that there will be significant developments in nuclear technology in the next 20 years. At the same time, I think this same agreement will serve us well for 20, 25 years or longer because it has the flexibility to accommodate those kinds of changes in technology, specifically through creation of this high-level bilateral commission.

Senator CARDIN. Last question, if I might, getting back to the first point, and what the chairman I am sure is going to be talking about, the enrichment on the Korean Peninsula in the Republic of

Korea. Under this agreement, South Korea is permitted to undertake the first stage of pyroprocessing, which is, again, a new type of technology. What do you see is the ultimate objective of Korea under this agreement as it relates to either reprocessing or enrichment? I understand they want to reserve their rights, et cetera, et cetera. Where should we anticipate we are likely to be?

Mr. COUNTRYMAN. Well, that is speculative, so I will give only a very general answer. I think the intention of the Republic of Korea is, number one, to improve their energy independence through the use of nuclear power for electricity; second, to be as competitive in the international market for reactor technology as they are in a number of other high-tech fields; and third, to make economically rational decisions about the best way to achieve those goals.

We do not have a prejudgment from either side about the economic viability of enrichment or reprocessing, particularly when, as I said, the world enrichment market is in surplus right now.

Senator CARDIN. Thank you.

Mr. COUNTRYMAN. But I think that is how I would describe their goals.

The CHAIRMAN [presiding]. Thank you. I think you have a tough job, and we thank you for the way you deal with each of us, even though sometimes we disagree with the outcome.

I would just add we have an outstanding working relationship. I would add to—if I were answering the question that, look, we have all spent time with President Park. She is a tough negotiator. She is a very focused person. I understand all that. My sense is, though, it also has to do with the fact that we have agreed to let Japan do the same thing. And I am sorry, there is just a syndrome that comes with that.

There are issues obviously between South Korea and Japan. We are, you know, allowing China to do the same thing. And, in essence, I fear that our policy—you know, the old gold standard is basically thrown by the wayside—and it is now, you know, because others have it, we want it. And I hope you will not deny that that was part of the desire, if you will, on behalf of South Korea to be able to do this. It is as if they are being treated less well, if you will, if we did not allow them to do this.

Mr. COUNTRYMAN. Yes, sir; a couple of points. First, as I mentioned, in this negotiation or in any similar negotiation, I think both teams come to the table with a consciousness of how they will explain the final agreement to legislators and to the public back home, and it will be perceived regardless of the explanation. And so, I would say that in the case of the Republic of Korea, we had a consciousness that there is a possibility of that kind of political comparison to Japan being made when it is reviewed back home.

But I can say it was not in any way an explicit part of the negotiation. It was not a demand pressed by the Republic of Korea in this case. Rather, we both agreed that we had to find something that demonstrated how strong our bilateral nuclear cooperation is, and I think we have done that.

The CHAIRMAN. Well, on that same line of discussion, then you would agree with me as we continue to throw the gold standard by the wayside, as we continue to allow people to reprocess and enrich, as we continue to go down this path, go down this path, go

down this path, that that consciousness will continue to be an issue with others that we talk about or negotiate with because they also will be saying, well, my friend in the region has this capability, so, therefore, I must, too, or the people back home will view that I am a weak negotiator. So we are going to continue with this syndrome, are we not?

Mr. COUNTRYMAN. I cannot quite agree. First, I can agree that I have never liked the word “gold standard.” I understand it was coined by a colleague of mine in the State Department, but I think it is an inaccurate description of our policy. And especially when I recall what the gold standard did to the world economy in the 1920s, I think it is a bad metaphor to use.

The CHAIRMAN. Well, for people viewing this particular hearing, let me just say there is no relevance whatsoever to the two gold standards. [Laughter.]

The CHAIRMAN. So go ahead. Okay.

Mr. COUNTRYMAN. Thank you, sir. As we discussed in depth at a hearing in January of last year, our policy is not to insist on a one-size-fits-all standard for every country.

The CHAIRMAN. Okay. So, just, look, we have got to—just if you would, as we continue—forget the gold standard.

Mr. COUNTRYMAN. Okay.

The CHAIRMAN. As we continue—we have—obviously the gold standard is not operational anymore, although we might want to do some things to attempt to change that, especially with all that is occurring in this regard. But is it fair to say that as we continue to allow other countries the ability to enrich and reprocess, that as that expands out, and it is expanding out geometrically under this administration—geometrically, even with state sponsors of terror, Iran as we continue to do that, is it not true that when you sit down and negotiate with people, the consciousness is going to be that they are going to look weak if we allow a state sponsor of terror to enrich while they are a good actor, if we allow the Republic of Korea to move down this path when we have stated that the peninsula will not have that kind of activity.

Again, nothing against President Park or South Korea, but this continues to feed the same problem as we move around the world, does it not?

Mr. COUNTRYMAN. Senator, I am never happy to disagree with you, but I do have to contest the premise of the question.

The CHAIRMAN. You are a good soldier.

Mr. COUNTRYMAN. Well, it is what I believe, sir.

The CHAIRMAN. Yes.

Mr. COUNTRYMAN. Under this administration, the enrichment and reprocessing technology has not spread. There are no countries enriching and reprocessing today that were not doing it 8 years ago. And the one country that advanced in recent years in its enrichment capability, Iran, which expanded dramatically its enrichment capability since 2000 is now constrained.

So far from being a geometrical spread of such technologies, under this administration there has been a constriction of those capabilities.

The CHAIRMAN. Let me just walk down a series of questioning, and, I mean, I just look at the most recent agreements we have en-

tered into. In every case, we have expanded those countries' abilities in the 123 agreements we have come to. I am sorry, that is at the start opposition to what you just said. This agreement does the same thing.

Let me just walk you down a list of questioning, and my temperature is rising slightly—I feel like, you know, and I am sorry. The agreements we have entered into on the 123 side, I am sorry, are not consistent with what you just said. They are not consistent. This agreement is not consistent with what you just said, and I am disappointed that you would cause people to think that that is the case.

So let me just walk down a line of questioning. Is it the United States policy that South Korea should not pursue or develop reprocessing capabilities? Is that our policy? I want to make sure we communicate that real clearly today to the President of South Korea.

Mr. COUNTRYMAN. That is a policy decision that should be taken later, taken into account a number of issues that we have agreed to study together.

The CHAIRMAN. And I want to bypass some of the—I want to come back to that question. What we are really doing is we are putting the next person that you have punted this decision to in a very awkward position because what you are doing is you are leaving them with a bread trail toward reprocessing. You are allowing them to invest—you are causing them by your affirmation of this agreement to invest a lot of money in that direction.

So the next executive, the next person in your position, is going to be in the bad position of feeling like we have dealt in bad faith. We have been dealing in bad faith with South Korea if we do not allow them to continue down that path. That is what you all have set up in this process. You know that is what we have set up in this process, and that is why you said that someone else down the road will have to make that decision.

Why is that the United States—why did the United States agree to cooperate with South Korea on pyroprocessing, research, and projects?

Mr. COUNTRYMAN. Because our option was to cooperate with them or to have them do it alone, and we think it is smarter to have insight and cooperation on what they are doing and to be able to reach common conclusions about the physical, technical, and economic viability of pyroprocessing.

The CHAIRMAN. This agreement will allow South Korea to operate the advanced spent fuel conditioning process facility, which is the first step in pyroprocessing. Is this, as I said earlier, not setting the expectation that the United States will ultimately agree to allowing the use of this technology with U.S.-obligated material?

Mr. COUNTRYMAN. It may create that expectation for some, but we could not have been more clear in all the negotiations and in all statements surrounding this agreement that a future decision is not prejudged.

The CHAIRMAN. So you do not think President Park right now believes that we have given a wink and a nod by granting that down the road they are going to be able to take further steps. And, again, you are looking at somebody who has a lot of faith in you.

Mr. COUNTRYMAN. I do not know what President Park believes, but I do not believe—I do not see a basis for her to conclude that this is a wink and a nod rather than what it actually is, black on white. This is—

The CHAIRMAN. Do you believe that she believes this is taking her down the path and the country to a place where it is going to be very difficult for the next administration to deny the next steps that she and her country would like to take, again, our friends?

Mr. COUNTRYMAN. If she believes that, she has been badly briefed about what we have said.

The CHAIRMAN. Under today's circumstances, would the United States negotiate an agreement with any country that provided advanced programmatic consent to the pyroprocessing spent fuel should the technology be found viable?

Mr. COUNTRYMAN. I am sorry, one more time, please?

The CHAIRMAN. Under today's circumstances, would the United States negotiate an agreement with any country that provided advanced programmatic consent to pyroprocessed spent fuel should the technology be found viable?

Mr. COUNTRYMAN. That is an interesting question. The technology has not yet been proven viable. It may be technically viable, but economically and in terms of safeguards and security is a different question. Let me take that question. I mean, we negotiated with the ROK as one of our closest partners and as the country most interested in pursuing this technology. It is what scientists and engineers do is they go down interesting pathways.

How to apply that to another country, I would have to think about, but it is not an issue that has come up.

The CHAIRMAN. Why did the administration agree to language allowing for the enrichment of uranium up to 20 percent when South Korea currently has no enrichment capability? Why did we do that?

Mr. COUNTRYMAN. Again, we did not agree. We agreed that this is an issue that if the ROK makes a decision in the future that it wishes to pursue enrichment using U.S.-obligated material, we will make a decision on that in the future.

The CHAIRMAN. And, Tom, I am going to close out. I know Chris Murphy is here and wants to ask some questions. I am sure Jim Risch maybe. I do not think you can look at me with a straight face in this hearing and say that the way this agreement is written, the words, would not give some indication to people in South Korea that we have begun the green light toward additional activities. I do not think you could say that to me. If I am a legislator, if I am a constituent, and I read the agreement that we have before us, I just do not think you can tell me that it does not give some indication that down the road there will be additional doors opened.

Mr. COUNTRYMAN. I have been around capitals long enough to know that there are people who will read it in a number of different ways. But I agree 100 percent with what Senator Cardin said that this is a reasonable compromise on an issue in which we entered into the negotiations with differing positions, and I think our statements have been clear enough.

Yes, some people will take encouragement about a decision that will be taken many years from now by officials different from the ones who are now in these jobs.

The CHAIRMAN. Okay.

Mr. COUNTRYMAN. But there is no promise.

The CHAIRMAN. Yes, and I will just say again, I will hang with my comment that the fact is that this administration continues to open doors to enrichment, toward reprocessing, continues to make it more and more difficult for others who really look at nonproliferation as an important issue.

As you continue to let the camel nose under the tent, as you continue to let countries expand their reprocessing and enrichment capabilities, it makes it even more difficult, as was the case in this particular agreement, it makes even more difficult for us to really focus on nonproliferation in the ways that we set out in the very beginning. So that is a fact.

That is why there were differences here. And that is why we find ourselves in a situation where I stand by before that these agreements that have been negotiated under this administration have done more to open the door toward these types of activities than I ever would have anticipated based on the kind of declarations that this President and others have made about nonproliferation. And I think it shows that we are not committed, that, in essence, national security is secondary to the economic benefits that come to some.

So with that, Senator Murphy.

Senator MURPHY. Thank you very much, Mr. Chairman. I apologize for missing the substance of this, but I have been following the issue, and I thank you for the work you have done. I think I share some of the sentiments that Senator Cardin has expressed regarding what is a hard-fought and hard-won compromise, but a compromise first, second, and third.

I guess you may have covered this a little bit in your opening remarks, but this is in general is a much more complicated relationship between the United States and South Korea than it has been the past. We have less influence on North Korea via the Chinese, less of a conduit into understanding and trying to influence their actions at the borders, obviously increased military tensions. We have a new trade agreement that many in the United States are unhappy with. There are complicated enforcement mechanisms in it.

You know, I know you do not, you know, have the portfolio of overseeing the totality of the relationship, the commission set up within this certainly recognizes the context of the broader relationship and how this fits in. Can you just talk about sort of how this agreement sits within the broader bilateral relationship and its importance in terms of continuing to move our very important economic partnership developed after the trade agreement and the security partnership outside of nuclear cooperation?

Mr. COUNTRYMAN. Yes, sir. Maybe the best way I can do that is to speak explicitly to our nuclear bilateral relationship because I think it parallels the developments that you have spoken about. When we signed the first 123 agreement with the ROK in 1974, it was a reflection of a one-way street; that is, the United States was selling nuclear technology and equipment to the Republic of Korea so that they could start building electric power generation.

Today it is absolutely a reciprocal, mutually beneficial agreement. It is not a one-way street. It is definitely a two-way exchange of the best technology, of the best capabilities of competitive in the global marketplace for other countries that may want to buy nuclear power. And the negotiation and the terms of this agreement reflect that this is a partnership of equals, at least in this domain.

And I think you can extrapolate that also in a number of ways to what we are doing together on the economic and the security and the diplomatic side as well. I hope that is useful to you.

Senator MURPHY. I think we can speak in Connecticut to the importance of the energy relationship that extends well beyond nuclear power. Korea is the top buyer of fuel cell technology in the world from United States companies. Much of it comes from one company in Connecticut that has created hundreds of jobs based on a very close relationship between the United States fuel cell industry and the Korean fuel cell industry. It is mutually beneficial in that industry as it in the nuclear industry as well.

Thank you, Mr. Chairman.

The CHAIRMAN. Are there any other questions? With that, we thank you. I am sure we are going to be following up with other questions. And as a matter of fact, subject to Senator Cardin's approval, the record will remain open until close of business tomorrow. I know as usual you will promptly respond to those questions.

Senator Markey apparently is rushing in. [Laughter.]

The CHAIRMAN. A great friend of nuclear proliferation, so I am sure that—

[Laughter.]

The CHAIRMAN [continuing]. He will cherish this agreement that has been put in place. With that, Senator Markey.

Senator MARKEY. Okay. Thank you, and, Mr. Countryman, it is so good to see you again. I thank you for holding this hearing, and I apologize to you, Mr. Chairman, it is a very important hearing. There is a very real and dangerous risk inherent in international transfer of nuclear technologies. We last addressed our shared concern on these risks in May during the hearing on the China 123 agreement.

As I said then, we should not leave doors open for our partners to use U.S. technology to process spent nuclear fuel in ways that produce materials that can be used as the building blocks for nuclear weapons.

Our agreements with partners need to preserve a meaningful U.S. role in such decisions. We have issues that, of course, are of concern even in this agreement because it leaves the door open to process something called pyroprocessing, which South Korea may begin doing as early as 2021 after completion of a study of its viability and proliferation risk.

In 1996, I led a bipartisan group in the House opposed to pyroprocessing in the United States because it would not have been cost-effective, would have increased proliferation risk, giving a bad example to other countries. At the time, I called pyroprocessing bad for American efforts to stop the spread of nuclear weapons. We were successful back then. It is just a very expensive way—pyroprocessing—of burning money, American taxpayer money. It was an absolutely crazy idea.

And so, we cannot allow these weapons usable materials, to be separated from spent nuclear fuel. It is very dangerous. Unfortunately, what we are potentially creating here is an open door to increased production of weapons usable material even by trusted partners, which can have unintended consequences, especially in regions prone to instability.

East Asia's regional politics are beset by rivalries over territorial claims and national aspirations, and aggravated by lingering antagonism from World War II. It is all still there. Compounding concerns raised by the China agreement is Japan's intent to begin spent fuel reprocessing itself. Next spring it is expected to lead to a substantial increase in its already large quantity of weapons-grade plutonium.

Secretary Countryman, if Japan goes forward with its plans and the region believes that we are on track to help South Korea begin pyroprocessing starting in the 2020s, I just think that it is highly likely that China ultimately could help us maybe in playing a role if we could get together about its decisions on reprocessing, or else what we are going to have is just an ever-escalating upward spiral of interest in this issue that ultimately is going to create a real tragedy for us.

So what I say to you, Mr. Secretary, when you are visiting these countries, when you are talking to these people in these countries, you have to deliver a message. This is dangerous stuff we are playing with. This is dangerous stuff that ultimately could come back in 15 or 20 years and create even more dangerous situations than Iran is today. Could you talk to us about that and what you would say would be a good message for these countries from the United States as a Cassandra-like mourning?

Mr. COUNTRYMAN. Yes, sir. Two comments on earlier statements by you, and then a direct answer. First, I do not agree that we have opened the door to pyroprocessing. We have just had this discussion. We have agreed to postpone a decision on that until the joint fuel cycle study is completed. The second comment is that the points you raised in 1996 and again today about high expense and vulnerability of fissile material are relevant today, and will be absolutely central among the criteria that we discuss in 2021 and afterwards.

Third, in terms of the message for partners in East Asia or anywhere else is that decisions about E&R technologies, enrichment and reprocessing technologies, must be transparent, must be economically logical, and must be defensible on the basis of both the physical security and the safeguarding of such fissile material. And, yes, we do deliver that message in great detail in East Asia and elsewhere.

Senator MARKEY. Okay. Well, I know that a group of 13 non-proliferation experts sent Secretary Moniz a letter earlier this month saying that continuation of United States spent fuel recycling work through the MOX fuel program, the Mixed Oxide Program, "helps plutonium recycling advocates in Japan, China, South Korea, and other states maintain the illusion that plutonium separation and recycling are activities that are responsible nonweapon state activities," that they can engage in. Have you seen that letter, Mr. Secretary?

Mr. COUNTRYMAN. Yes.

Senator MARKEY. Are there opportunities from your perspective to ask all of our East Asian partners to defer commercial plutonium-based fuel activities?

Mr. COUNTRYMAN. I think that letter makes a number of valid points, and, yes, I look forward to discussing the concepts in that letter with partners in East Asia and beyond.

Senator MARKEY. Honestly, I do believe this is a door-opening historic moment that is very troubling to me. I think that the message that you send, in my opinion, is a very strong one to them that we are at the threshold of yet another potential arms race. We are still dealing with selling civilian nuclear power plants to Iran. We attacked Iraq because of civilian nuclear programs, again, that were dangerous. North Korea has a civilian nuclear facility that—you know, that had one guise, but it was turned into something else.

So while you say it did not open—does not open the door to pyroprocessing because the decision was postponed, I do not think that we should for a minute think that the door is locked, you know. I do not think it is locked at all. I think we have to make sure it is locked. I think that is our responsibility as the global leader in nuclear nonproliferation, and I urge you very strongly to send that message when you are meeting with these countries around the world.

Mr. Chairman, I thank you so much.

The CHAIRMAN. Thank you. I, you know, understand sometimes media outlets are not always accurate. In fact, that happens many, many times, and I understand how administrations and others, you know, spin the media. I just want to read from the—my staff just handed me the Korea Herald. I have no idea whether it is a respectable media outlet or not. My sense is it may be. “Korea Gains More Nuclear Leeway.” This is a sub headline. “Revised Pact Opens Door to Seoul’s Rights of Low Enrichment and Reprocessing.”

And I do not think there is anybody—I am sorry, Mr. Countryman—that does not believe that that is exactly what we have done, including all the negotiators on the South Korean side. So, look, I am disappointed. I voted for an agreement when I first came here that I should not have, and that was the India agreement.

You know, this has been going on. This is not a partisan issue, you know. It happened at the end of the Bush administration. It has been hugely expanded upon by the Obama administration. I know for private companies there is a lot of money at stake here. I got that. A lot of these private companies, as we have learned in previous hearings and even in this particular case.

I think the technology that South Korea plans to use is actually technology that ultimately through a subsidiary and then a holding company is owned by Japan, which is pretty fascinating. But in any event, you know, we see private interest, in my opinion, trumping national security interests on a constant basis, and it is disappointing.

So I think we are probably going to have a meeting of this committee to see if there are steps we can take to try to stop that from happening. We thank you for your service. I do not know if you are

going to be testifying before us. Are there any other agreements that include reprocessing and enrichment that you plan to bring before us between now and the end of the year?

Mr. COUNTRYMAN. No, sir. But if I could make two very quick comments. One is I appreciate, and I take very much to heart your statement that this not a partisan issue. I think there has been consistent strong support from administrations and Congresses of every political stripe for nonproliferation objectives. And I value that very much. And I have taken very careful note of all the comments and questions you have asked, and we will do our damndest to answer those in consultation with you and your staff as you have time.

I do have to say on economic interests, at no point were economic interests primary in this negotiation. At no point did I get instructions from my leadership or from the White House to make this an economically good agreement for the United States or for U.S. companies. The only exception is that we agreed to an ROK request that one of the working groups of the bilateral commission specifically deal with commercial cooperation and issues such as export licensing from the U.S. side.

I say this because I simply cannot agree in all the time I spent negotiating this that economic interests were at any point primary to non-proliferation interests.

The CHAIRMAN. Actually in fairness, I would say in this particular agreement that the primary issue was the fact that all of their neighbors are able to do it. So I would agree with you. I would say that in many of our agreements I do think that commercial interest has driven it, and it is interesting. I support strongly the nuclear industry. I mean, I am a strong supporter of nuclear power. We have got 103 or four plants in our country today. I wish we had more.

I think it is not appropriate in the name of commercialization for countries to be enabled, if you will, to have the full fuel cycle and be able to proliferate nuclear weapons. I just do not. But in this case, I agree. I think it was more of the fact that Japan has it, others have it in the region. And the fact that we continue to lower our guard, we let our enemies have it—Iran. And I just think over time the pressures continue to mount for us to lower our standard so that “we are treating our friends at least as well as our enemies.”

So with that, again, thank you for your service.

The record will remain open until close of business tomorrow. I know you will answer promptly.

And we look forward to seeing you again hopefully not on this type of subject. Thank you.

Mr. COUNTRYMAN. Thank you.

[Whereupon, at 11:46 a.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF ASSISTANT SECRETARY THOMAS M. COUNTRYMAN TO QUESTIONS
SUBMITTED BY SENATOR MARCO RUBIO

Question. Recently, the Chinese National Nuclear Corporation (CNNC) announced its intention to complete a deal with AREVA to build a plant capable of chemically

separating 8 tons of plutonium—enough to fashion more than 1,500 inefficient nuclear weapons. CNNC also announced its desire to have this plant up and running by 2020 so that they could stockpile material for a large breeder that might come on line by 2040. This could result in China having a stockpile of plutonium capable of fueling 20,000 or more nuclear weapons.

- ◆ What unique nuclear security challenges might these activities as distinct from having a nuclear power system that does not recycle plutonium pose for those trying to promote nuclear security?
- ◆ To promote nuclear security, would it not be better if China chose not to proceed or to delay this effort?

Answer. As China is a nuclear weapon state under the definition of the treaty on the Nonproliferation of Nuclear Weapons, it already possesses large quantities of indigenously produced highly enriched uranium and plutonium for its military programs. If China were to purchase and operate a commercial reprocessing facility, China would be responsible for maintaining it in accordance with its obligations under the amendment to the Convention on the Physical Protection of Nuclear Material upon its entry into force. Both China and the United States have ratified the amendment and its entry into force is likely to occur soon.

In order for U.S. obligated material to be reprocessed at such a facility, the United States and China will also have to agree on a set of arrangements and procedures mandating the physical security and safeguards procedures to be in place at the facility. The United States and China also have recently agreed to launch a bilateral nuclear security dialogue to improve and make more transparent our respective nuclear security practices and to facilitate exchange of best practices.

Question. Has the U.S. Government ever proposed an informal commercial plutonium recycling activity time out with Japan, South Korea, and China? Might it consider promoting such a time out in the lead up to the next nuclear security summit to be held next month in Washington?

Answer. The United States has consistently sought to discourage the spread of enrichment and reprocessing technologies worldwide. We have made this position clear to our partners in East Asia.

Question. Since the conclusion of the Joint Comprehensive Plan of Action (JCPOA) with Iran on July 14, 2015, have any countries with a nuclear cooperation agreement with the United States indicated a desire to alter their current approach toward enrichment or reprocessing?

Answer. The Department has responded under a separate coversheet.

Question. Since July 14, 2015, has the United Arab Emirates raised any concerns regarding potential implications of the JCPOA for the 2009 U.S.–UAE nuclear cooperation agreement with Secretary Kerry or any other State Department official? If so, what concerns have been raised and when and how were they transmitted to the Department? Please provide a classified response if necessary.

Answer. The Department has responded under a separate coversheet.

Question. Does the JCPOA qualify as a “peaceful nuclear cooperation agreement” with “any other nonnuclear weapon State in the Middle East” under the “Equal Terms and Condition for Cooperation” clause of the 2009 U.S.–UAE nuclear cooperation agreement?

Answer. No. The Joint Comprehensive Plan of Action is not an agreement for peaceful nuclear cooperation (a “123 agreement”) in accordance with the Atomic Energy Act of 1954 or within the meaning of the Agreed Minute in the U.S.–UAE nuclear cooperation agreement—123 agreements allow U.S. suppliers to export nuclear reactors and fuel to our partners. The JCPOA does not contemplate such U.S. exports. Rather, the JCPOA is a discrete set of measures to verifiably ensure that Iran does not acquire a nuclear weapon. It has no bearing on the terms of our existing 123 agreements.

Question. Has the UAE requested that the United States provide the details of cooperation with Iran as outlined in the “Equal Terms and Condition for Cooperation” clause of the 2009 U.S.–UAE nuclear cooperation agreement?

Answer. The United States has provided in-depth information to the United Arab Emirates on the details of the Joint Comprehensive Plan of Action (JCPOA), but those briefings were in context of our close and regular diplomatic engagement on Iran, not in the context of the U.S.–UAE 123 Agreement.

Question. Has the UAE requested that discussions begin regarding the possible amendment of the 2009 U.S.-UAE nuclear cooperation agreement as allowed under the "Equal Terms and Condition for Cooperation?"

Answer. The Department has responded under a separate coversheet.

