

AGREEMENT
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE RUSSIAN FEDERATION
CONCERNING
COOPERATION REGARDING PLUTONIUM PRODUCTION REACTORS

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

Expressing their desire to cooperate with each other to elaborate measures designed to prevent the accumulation of excessive stocks of plutonium and to reduce them in the future;

Taking into account the intent of the Government of the Russian Federation to take out of operation three presently operating reactors that produce plutonium and that provide heat and electricity to regions where they are located, and to create alternative sources of heat and electricity;

Taking into account the shutdown by the United States of America of all of its plutonium production reactors as of 1989;

Have agreed as follows:

Article I

1. All reactors listed in Annex I to this Agreement, which is an integral part of this Agreement, have ceased operations. These reactors shall not resume operation.

2. All reactors listed in Annex II to this Agreement, which is an integral part of this Agreement, shall cease by December 31, 2000, their production of non-reactor-grade plutonium by undergoing modification. After the completion of modifications, these reactors shall permanently cease

operation at the end of their normal lifetime, consistent with prudent safety considerations.

Article II

1. The U.S. Party shall provide, subject to the availability of appropriated funds for this purpose, and subject to the Agreement between the Department of Defense ~~SECRET~~ of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Modification of the Operating Seversk (Tomsk Region) and Zheleznogorsk (Krasnoyarsk Region) Plutonium Production Reactors, which will be governed as specified in Article I, paragraph 4, of that agreement and overseen as specified in Article VI of that agreement, step-by-step funding for cooperative implementation of the reactor modifications specified in Article I, paragraph 2, of this Agreement.

2. Provision of funds as described in paragraph 1 of this Article will be based on the achievement of cooperation project milestones to be agreed between the U.S. Party and the Russian Party. In the event that the Russian Party should fail to achieve an agreed cooperation project milestone or the U.S. Party should fail to provide an agreed level of assistance, including funding, to support an agreed cooperation project milestone, either Party may request consultations to determine how best to achieve the objectives of this Agreement under those circumstances. These consultations shall begin within 30 days of such a request. If after 180 days from the beginning of consultations, the Parties do not reach agreement, each Party shall have the right to suspend, until such agreement is achieved, implementation of this Agreement by sending the other Party, through diplomatic channels, appropriate written notification. The consultations specified in this paragraph shall continue until agreement is reached or, if this is not possible, until the termination of this Agreement, using the procedures provided for in Article XI, paragraph 4, of this Agreement.

Article III

For the purposes of this Agreement, the cessation of plutonium production specified in Article I, paragraph 2, will require the cessation of production by the reactors listed in Annex II to this Agreement of spent fuel

containing plutonium whose combined Pu-240 plus Pu-238 isotopic concentration is less than 20 percent of total Pu, averaged over the total fuel discharged in any one batch. Once each reactor listed in Annex II to this Agreement is modified, it will utilize an alternative type of fuel including uranium derived from dismantled nuclear weapons.

Article IV

The plutonium produced after entry into force of this Agreement in the reactors identified in Annex II to this Agreement, and any high-enriched uranium recovered from spent fuel discharged from the modified reactors, shall not be used in nuclear weapons.

Article V

Procedures necessary to assure compliance with the obligations provided for in Articles I, III, and IV of this Agreement are contained in Annex III, which is an integral part of this Agreement.

Article VI

1. In order to prevent access to it by people and organizations not participating in the implementation of this Agreement, information transmitted under this Agreement may be considered as sensitive by the Parties. Such information must be clearly designated and marked. The Party transmitting the information shall designate information as sensitive in accordance with its internal laws and regulations. The Party receiving the information shall handle this information as sensitive.

2. Sensitive information shall be handled in accordance with the laws and regulations of the Party receiving the information, and this information shall not be disclosed or transmitted to a third Party not participating in implementation of this Agreement without the clearly expressed consent of the Party transmitting the information. According to the regulations of the United States, such information shall be treated as foreign government information provided in confidence and shall be protected appropriately. According to the regulations of the Russian

Federation, such information shall be treated as official information with limited distribution and shall be protected appropriately.

3. The Parties shall assure effective protection of and allocation of rights to intellectual property transmitted or created under this Agreement, as set forth in this Article and in Annex IV to this Agreement, which forms an integral part of this Agreement.

4. Information transmitted under this Agreement must be used solely for the purposes established by this Agreement in accordance with the laws, regulations, and mutual interests of the States represented by the Parties.

5. The number of people having access to sensitive information must be limited to the number necessary to implement this Agreement and other programs associated with this Agreement.

Article VII

In order to ensure the possibility of taking the reactors listed in Annex II to this Agreement out of operation, the Russian Party shall undertake to create alternative sources of thermal and electrical energy to replace these reactors by the time of their final shutdown. To assist this effort, the U.S. Party will encourage private sector participation in the creation of replacement sources of energy. The U.S. Party does not guarantee the participation of the private sector in these activities, and its degree of success in this effort shall not alter in any way the obligations undertaken by the Parties in this Agreement.

Article VIII

The Parties shall designate Executive Agents to implement this Agreement and its Annexes and Subsidiary Arrangements as follows: for the U.S. Party, the Executive Agents shall be the Department of Defense for implementation of Article II and the Department of Energy for the implementation of the remainder of the Agreement and its Annexes and Subsidiary Arrangements; for the Russian Party, the Executive Agent shall be the Ministry of the Russian Federation for Atomic Energy. After consultation with the other Party, either Party shall have the right to change its Executive Agent upon 30 days' written notice to the other Party.

PP Note

Article IX

To ensure achievement of the objectives and implementation of this Agreement, the Parties hereby establish a Joint Implementation and Compliance Commission (JICC), which shall convene no later than 21 days following the request of either Party, unless otherwise agreed. The tasks of the JICC shall include the following:

- (a) To review implementation of this Agreement, to include resolution, by mutual agreement, of any implementation issues;
- (b) To consider questions concerning implementation and effectiveness of monitoring procedures;
- (c) To resolve any disputes that may arise regarding compliance with the provisions of this Agreement or its Annexes or Subsidiary Arrangements; and
- (d) To discuss and, if necessary, prepare recommendations concerning any amendments to this Agreement or its Annexes or Subsidiary Arrangements, as well as proposals for resolving any disputes that cannot be resolved in the JICC.

Article X

In the event of conflict between the provisions of this Agreement and any Annexes or Subsidiary Arrangements to this Agreement, the provisions of this Agreement shall prevail.

Article XI

1. This Agreement shall enter into force upon signature on the same date as the implementing agreement specified in Article II, paragraph 1, of this Agreement.

2. This Agreement may be amended by agreement between the Parties. Any such amendment shall enter into force upon signature.

3. Each of the Subsidiary Arrangements shall be considered to be an integral part of their respective Annex to this Agreement under the condition, however, that they can be changed and added to by agreement between the sides represented by their Executive Agents as they are described according to Article VIII of this Agreement.

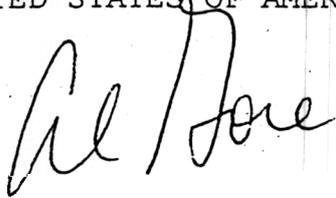
4. This Agreement may be terminated by either Party by sending written notice through diplomatic channels of its intent to terminate this Agreement, in which case this Agreement terminates after one year from the date of sending this notification. Termination of this Agreement shall not affect the following:

(a) The provisions of Article VI shall continue in effect; and

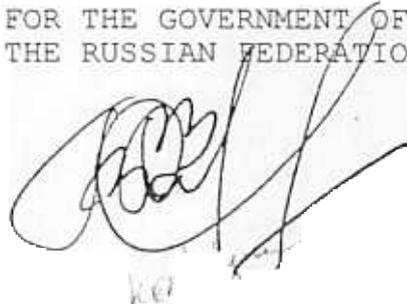
(b) The obligations provided for in Article IV of this Agreement, and the associated compliance procedures, shall continue in effect with respect to plutonium produced at the reactors listed in Annex II to this Agreement between entry into force of this Agreement and the date of its termination. The procedures specified in Annex III of this Agreement cease to be applicable to this plutonium when the plutonium is being used for needs that are not inconsistent with the objectives of this Agreement, as detailed in Annex III.

DONE at Moscow, in duplicate, this twenty-third day of September, 1997, in the English and Russian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF
THE RUSSIAN FEDERATION


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