Civil Nuclear Cooperation Agreements

Under Section 123 of the U.S. Atomic Energy Act, the United States cannot make any significant transfers of nuclear material, equipment, or components to another nation without a congressionally-approved agreement. The United States has so-called “123 agreements” with 24 countries, and is currently engaged in formal negotiations for a nuclear cooperation agreement with Saudi Arabia.

Certain materials, equipment, and components used for civil nuclear energy programs can also be used for nuclear weapons programs. In order to reduce those risks, countries seeking a 123 agreement with the United States must commit to nine nonproliferation criteria. These criteria require the partner country to obtain U.S. consent before taking certain actions, including any enrichment or reprocessing of nuclear material obtained or produced as a result of the agreement. However, the required nonproliferation conditions for a 123 agreement do not prohibit the partner country from engaging in enrichment and reprocessing, provided that none of the nuclear material or facilities involved were acquired, produced, or constructed as a result of the 123 agreement.

The Department of State leads the 123 agreement process by submitting to Congress a Nuclear Proliferation Assessment Statement, which explains how the particular proposed agreement will meet these required nonproliferation criteria.

The Gold Standard

Technologies used to enrich and reprocess nuclear fuel can also be used to produce material for nuclear weapons, and so present the greatest threat for proliferation. As part of its 123 agreement, the United Arab Emirates agreed not to seek enrichment and reprocessing technologies and to instead rely on the international market for its reactor fuel supply. That commitment, in combination with the nonproliferation criteria required for all 123 agreements, has come to be known as the nonproliferation “Gold Standard” for civil nuclear cooperation agreements.

Congressional Approval Process for 123 Agreements

After the Department of State submits a proposed 123 agreement to Congress, current U.S. law allows Congress to review the agreement for 90 days of continuous session. If Congress does not pass a resolution disapproving of the agreement during this period, the agreement may enter into force. In recent years, nonproliferation experts have recommended that Congressional oversight be strengthened over nuclear cooperation agreements to better protect against nuclear proliferation.

One idea under consideration is a bipartisan proposal introduced in the House of Representatives on March 21, 2018 that seeks to ensure that any partner country entering into a 123 agreement with the United States should renounce the pursuit of enrichment and reprocessing facilities. Under the bill, proposed 123 agreements that do not include the “Gold Standard” of renouncing domestic enrichment and reprocessing capabilities would face a stronger Congressional approval process, including an affirmative vote.