

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF
CHINA
ON
ENHANCING COOPERATION IN THE FIELD OF CIVIL NUCLEAR ENERGY**

Having regard to:

The Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China for Cooperation in the Peaceful Uses of Nuclear Energy signed in June 1985; and

The Memorandum of Understanding between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on Enhanced Cooperation in Infrastructure signed in September 2011.

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China (hereinafter referred to as the Participants) based on traditional friendship between the two peoples and friendly cooperation between the Participants:

- 1) Recognise the significant on-going cooperation between the Participants in the energy sector and the long-standing agreement between the Participants on Co-operation in the Peaceful uses of Nuclear Energy;
- 2) Acknowledge the part nuclear energy can play in an appropriate mix of environmentally sustainable, safe, secure and cost-effective existing and future sources of energy;
- 3) Express their willingness to foster increased cooperation in their respective domestic markets through investment, deployment of technology and expertise and the construction of civil nuclear energy projects;
- 4) Express their willingness to jointly explore opportunities for cooperation in third country markets to mutual commercial benefit;
- 5) Affirm their commitment towards further enhancing bilateral cooperation in the civil nuclear energy sector by encouraging and facilitating the building of closer relationships between relevant Government agencies, intermediaries, independent regulatory agencies, academic, legal and financial institutions, developers and other enterprises active in the civil nuclear energy sector;

- 6) In addition to developing closer links between their nuclear energy industries, the Participants share a commitment to ensuring the non-proliferation of nuclear material, technology and expertise.

Chapter 1 Form of Cooperation

Paragraph 1

Cooperation between the Participants under this Memorandum of Understanding shall follow the principle of mutual benefit and reciprocity based on the recognition of the achievements and developments in the field of nuclear energy made by the United Kingdom and China, as well as the willingness and interest of relevant United Kingdom and Chinese nuclear energy enterprises to participate in the development, construction and operation of civil nuclear energy projects in the Chinese, United Kingdom and third country markets. The cooperation is guided by government and delivered by businesses.

Paragraph 2

The Participants will encourage and facilitate their enterprises to invest and cooperate in the civil nuclear energy sector, including but not exclusively the fields of research, planning and design, project management and consultancy, engineering and construction, investment, operation, maintenance, safety and equipment supply.

Paragraph 3

The Participants understand that participation of relevant civil nuclear energy enterprises in the construction of nuclear energy projects must comply with applicable laws, statues, regulations and other independent regulatory requirements; each Participant should protect all the relevant legal rights of investors and project participants. The Participants also agree to uphold the international non-proliferation framework, including relevant international treaties and IAEA safeguards.

Paragraph 4

The Participants understand that the participation of relevant civil nuclear energy enterprises in the development and construction of nuclear energy projects in their respective countries and the cooperation between relevant enterprises of the two countries for project development in third country markets should be based on an arm's length basis respecting commercial negotiations and agreements based on the commercial benefits of the respective Participants as well as the long term and robust development of the enterprises respectively.

Paragraph 5

The Participants will advance and support cooperation in the civil nuclear energy sector in their respective countries by providing information and guidance regarding the laws, policies, regulations,

procurement procedures relevant to any specific investment project including but not restricted to licensing and design certification requirements.

Paragraph 6

6.1 The Government of United Kingdom actively supports and welcomes Chinese enterprises, with their expertise and technologies, into the UK civil nuclear energy market and the Participants will work together with a view to enabling a step by step approach for Chinese enterprises to understand and engage as appropriate with the regulatory requirements including, but not exclusively, for design and site licensing, regulatory justification, planning approvals, safety and security requirements and waste and decommissioning financing.

6.2 Furthermore the Government of United Kingdom will provide guidance to any such Chinese enterprise on seeking to secure and maintain local and national public support for any civil nuclear energy project in the UK; and facilitating appropriate engagement with local and national supply chain companies, skills agencies and relevant academic institutions.

Paragraph 7

The Government of the People's Republic of China recognizes the strength of UK expertise in all areas of the civil nuclear energy sector and actively supports and welcomes UK enterprises into China's civil nuclear energy market on a commercial and competitive basis, as appropriate and in accordance with the regulatory and security requirements in areas including, but not exhaustively, civil nuclear energy new-build, decommissioning and waste-management.

Paragraph 8

8.1 Any Chinese enterprise which seeks entry to the UK civil nuclear energy market will recognize that it has to be in compliance with the rights and obligations of the UK export control policies and secure any regulatory and licensing permissions based on meeting the independently prescribed requirements of UK and European Union law, regulations and standards.

8.2 Any UK enterprise which seeks entry to the Chinese civil nuclear energy market will recognize that it has to be in compliance with the rights and obligations of the Chinese export control policies and secure any regulatory and licensing permissions based on meeting the prescribed requirements according to Chinese law, regulations and standards.

Paragraph 9

Both Participants will consider how best to develop specific projects in the context of this Memorandum of Understanding. This may, where appropriate, include signing MoUs and agreeing step by step implementation plans, developed in accordance with this Memorandum of Understanding.

Chapter 2 Operation of the Memorandum of Understanding

Paragraph 10

The Participants have jointly decided to establish a Working Group on Cooperation in Nuclear Energy (hereinafter referred as to the Working Group).

Chapter 3 Purpose of the Working Group

Paragraph 11

The Working Group will be tasked to drive the successful advancement and delivery of the work to be agreed under this Memorandum of Understanding.

Chapter 4 Composition of the Working Group

Paragraph 12

The Co-Chairmen, Representatives and Secretariat members of the Working Group will be appointed by China National Energy Administration and China Atomic Energy Authority, and the Department of Energy and Climate Change of the United Kingdom of Great Britain and Northern Ireland. The Representatives of the Working Group will include but not be limited to personnel from relevant departments, agencies and where appropriate and jointly agreed personnel from the civil nuclear energy industry.

The Working Group so established will stay active until such a time as the Participants regard the work complete or until the Working Group is terminated in accordance with this Memorandum of Understanding.

Either Participant may terminate the establishment of the Working Group by notifying the other Participant of its intention in writing. In this case the establishment of the Working Group is terminated with immediate effect upon the receipt of such notification by the other Participant.

It is intended that the Working Group will meet not less than once per year, alternating in venue between The People's Republic of the United Kingdom and China.

Chapter 5 Attendance at the Working Group meetings

Paragraph 13

In addition to Working Group members both Participants may also with the agreement of both Co-Chairmen appoint experts to attend Working Group meetings as advisers or invitees of the appointing Participant.

With the agreement of both Co-Chairmen, other stakeholders may attend Working Group meetings.

Chapter 6 Working Group tasks

Paragraph 14

Working Group tasks include:

- 1) Reviewing progress of the implementation and delivery of areas of work set out in this Memorandum of Understanding;
- 2) Coordination and support of implementation of specific projects of UK–China cooperation about civil nuclear energy as referred to in paragraph 8;
- 3) Facilitating cooperation between UK and Chinese intermediary organizations and enterprises in the civil nuclear energy field to deepen their mutual understanding and cooperation by, where appropriate, signing MoUs and holding exhibitions, seminars and symposiums;
- 4) To coordinate and seek to solve difficulties and eliminate barriers to investment, joint projects and market entry;
- 5) Any other areas which may be additionally agreed by the Participants within the purpose of the Working Group.

Chapter 7 Preparation of documentation and meetings of the Working Group

Paragraph 15

The Secretariat is responsible for organizing the Working Group meetings, preparation and distribution of the agenda, preparation and coordination of the protocol of the meeting and monitoring of the implementation of decisions taken by the Working Group.

The Secretariat members of the hosting Participant of the Working Group meeting are responsible for the preparation of the draft of the Working Group meeting minutes that should be sent to the other Participant for its consideration and further mutual agreement and signing of the Working Group meeting minutes.

The documentation is prepared in both English and Chinese Languages.

Chapter 8 Confidential information

Paragraph 16

The Participants shall undertake necessary measures to avoid uncontrolled distribution of the confidential information.

Paragraph 17

This Memorandum of Understanding will come into effect upon signature of the Participants and will continue in effect until terminated.

This Memorandum of Understanding may be terminated by either Participant providing 6 months written notice to the other or by mutual written consent on a date agreed between the Participants.

Either Participant may propose an amendment by means of written notice to the other Participant, and the amendment will be effected by mutual written consent between the Participants.

The Participants acknowledge that this Memorandum of Understanding shall not be deemed as an international agreement and shall not create legal obligations governed by international law.

Signed at Diaoyutai National Guesthouse in Beijing on 15 October 2013 in duplicate each in the English and Chinese Languages, both texts being equally valid.



For the Government of
the United Kingdom of Great Britain and Northern
Ireland

For the Government of
the People's Republic of China

