

Explanatory Memorandum on the Amendment to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes

Title of Treaty

Amendment to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes ("the Amendment Agreement").

Command Paper Number: 8947

Subject Matter

1. The Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes 1958, as amended ("the MDA") forms the basis for UK-US co-operation on the safe and reliable maintenance of the UK's nuclear deterrent. The MDA provides the necessary requirements for the control and transmission of submarine nuclear propulsion technology, atomic information and material between the UK and US, and the transfer of non-nuclear components to the UK.
2. The Amendment Agreement renews and updates certain provisions in the MDA for a further period of 10 years, following the last such renewal in 2004.
3. Article 1 of the Amendment Agreement amends the Preamble of the MDA to recognise the importance of our continued co-operation in counter-proliferation and reflect the concern of the UK and US at the potential spread of atomic weapons technology to state and non-state actors.
4. Article 2 of the Amendment Agreement amends Article III of the MDA, which concerns the transfer of a submarine nuclear propulsion plant and materials. The amendments to Article III, paragraphs A, B, D and E update the language to reflect that the transfer referred to in this part of the MDA was completed many years ago, and to allow, but not require, a submarine nuclear propulsion plant and/or parts to be transferred in the future upon subsequent agreement of the UK and US. The amendments to Article III, paragraph C, reflect changes to the way in which uranium is priced and the fact that the US Atomic Energy Commission no longer exists.
5. Article 3 of the Amendment Agreement amends Article III *bis* of the MDA, which concerns the transfer of materials and equipment between the UK and the US. This provision is due to expire on 31 December 2014. The amendment to Article III *bis* of the MDA extends the application of that provision to 31 December 2024.
6. Article 4 of the Amendment Agreement amends Article V of the MDA, which concerns the co-operation arrangements under which the MDA operates. The amendment to Article V of the MDA reflects the change in the Preamble and confirms that ongoing Nuclear Threat Reduction activities between the UK and US include evaluation of potential enemies, whether state or non-state actors.
7. Article 5 of the Amendment Agreement amends Article IX of the MDA to reflect the amendment to Article III, paragraph A.

8. Article 6 of the Amendment Agreement updates Article XI of the MDA to account for the recent changes to the Government Security Classifications policy.

Ministerial Responsibility

9. The Secretary of State for Foreign and Commonwealth Affairs has overall responsibility for UK policy relating to the UK's relations with the US. The Secretary of State for Defence has a policy interest due to his responsibility for the nuclear deterrent programme and defence planning.

Policy Considerations

(i) General

- The MDA underpins the nuclear deterrent relationship between the UK and US. It provides the necessary requirements for the control and transmission of submarine nuclear propulsion technology, atomic information and material between the UK and US, and the transfer of non-nuclear components to the UK.
- Co-operation under the MDA has been of considerable mutual benefit, allowing the UK to significantly reduce costs while maintaining an operationally independent deterrent. Despite a level of procurement dependence on the US for some non-nuclear aspects of the system, the UK could manufacture an entirely indigenous capability but chooses not to for economic reasons. Continued co-operation is in the national interests of both the UK and the US.
- The MDA does not provide for the transfer of nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices. Our procurements under the MDA of non-nuclear components of atomic weapons are in full compliance with our obligations under the Nuclear Non-Proliferation Treaty.
- None of the proposed changes seek to pre-empt a Main Gate acquisition decision on the successor to the Vanguard submarine in 2016.

(ii) Financial

- There are no financial implications for the UK in making these amendments.

(iii) Reservations and Declarations

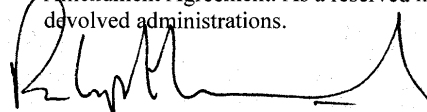
- There are no reservations or declarations.

Implementation

10. No change to UK legislation is required to give effect to the Amendment Agreement.

Consultations

11. Relevant Government departments were consulted throughout the development of the Amendment Agreement. As a reserved matter, there has been no formal consultation with the devolved administrations.



Rt Hon Phillip Hammond MP
Secretary of State for Foreign and Commonwealth Affairs