

Euratom Exit Factsheet Nuclear Cooperation Agreement

June 2018

Nuclear Cooperation Agreements (NCAs)

An NCA is a legally binding, bilateral Agreement negotiated between two States (or international bodies, such as Euratom) setting out their intention to, and framework for, cooperating in the civil nuclear sector. NCAs provide a high-level framework for cooperation, but are not a requirement for trade in civil nuclear materials, equipment or technology with most countries. NCAs can also facilitate responsible exports, but do not negate the need for export licences. Every NCA is different and is negotiated on a case-by-case basis. These agreements allow states to formally recognise their willingness to co-operate with each other on civil nuclear matters. NCAs do not normally commit either side to undertake any specific activity.

Neither the UK nor Euratom require NCAs to be in place in order for trade in the civil nuclear sector to take place. For the UK, such trade can be regulated through the issuing of export licences and obtaining specific government-to-government assurances ie. that materials and technology will not be used other than for their intended purposes. An NCA is often found useful however, as a way of simplifying nuclear cooperation processes and signalling a long term and constructive relationship between two parties.

Requirements for NCAs

NCAs are only a requirement for civil nuclear trade when a country has a domestic legal or policy requirement for an NCA to be in place before such trade with other countries can be permitted. Although most countries do not require NCAs, four of the UK's major trading partners do: Australia, Canada, Japan and the US.

Existing Euratom NCAs

When Euratom arrangements no longer apply in the UK, the UK will no longer be able to use NCAs that Euratom has concluded with third countries on behalf of the Community. The UK currently utilises Euratom's NCAs to enable trade with Australia, Canada and the US (trade with Japan is facilitated by an existing Euratom-Japan NCA in addition to the UK-Japan NCA). Discussions to agree bilateral NCA arrangements with these countries are progressing well and on track to be completed before the UK leaves the EU. On 4 May, the UK signed a new bilateral NCA with the US, which has now begun its approval process through the US Congress. The intention is to present these new agreements to Parliament for ratification ahead of the UK's withdrawal from Euratom so that the new arrangements can come into force when Euratom's NCAs no longer apply to the UK.

Euratom also has NCAs in place with Argentina, Kazakhstan, South Africa, Ukraine and Uzbekistan. These countries have no legal or policy requirement for an NCA to be in place, therefore the UK can continue to trade with these countries without a new bilateral NCA in place.

We will continue our civil nuclear trade and cooperation with these countries and we will ensure that, as required, the appropriate arrangements are in place to support this.

UK Bilateral NCAs

The UK, for policy reasons, has its own bilateral NCAs with China, India, Jordan, Japan (complementing the Euratom-Japan NCA), Republic of Korea, Russian Federation and the United Arab Emirates. These agreements are not essential prerequisites for trade with these countries. The UK will remain subject to these agreements once we withdraw from Euratom; but engagement with other countries will take place as necessary to ensure that existing agreements remain operable.

Nuclear Safeguards

On 7th June, the UK signed new bilateral international safeguards agreements with the International Atomic Energy Agency (IAEA), to replace the current trilateral agreements that include Euratom. The conclusion of these agreements provides the basis from which we can continue to trade with key international partners, once Euratom arrangements cease to apply to the UK, and are an essential prerequisite for new NCAs to come into force. For further details see our factsheet on the IAEA.

Future relationship between the UK and Euratom

The UK has been clear that through negotiations with the European Commission it will seek a close association with the Euratom Community following its withdrawal from the Euratom Treaty.