

REPORT TO PARLIAMENT ON THE GOVERNMENT'S PROGRESS ON THE UK'S EXIT FROM THE EURATOM TREATY

Department for Business, Energy & Industrial Strategy

5 November 2019

This is the fourth statutory report on the UK's progress on Euratom exit laid before Parliament in accordance with section 3(4) of the Nuclear Safeguards Act 2018. The report sets out overall progress on the Government's implementation of its Euratom exit strategy over a three-month statutory reporting period from 26 March until 26 June 2019, as well as relevant developments from following weeks.

Prior to this period, the Government had taken all the necessary steps to ensure that it was ready to leave Euratom at the end of March. During this reporting period, therefore, the focus has been on continuing with ongoing work to strengthen readiness and prepare for various different scenarios in the future, in response to extension of the Article 50 period.

As previously reported, the UK has concluded all replacement international agreements required to ensure continuity for civil nuclear trade following exit day. This includes new nuclear co-operation agreements (NCAs) with Australia, Canada and the US; and safeguards agreements with the International Atomic Energy Agency.

Additionally, in February 2019 the UK and Japan signed an Exchange of Notes which confirms how the existing terms of the 1998 bilateral NCA between the UK and Japan will operate in the context of the UK's exit from Euratom and formally notifies the Government of Japan of the change in safeguards arrangements in the UK. This ensures that civil nuclear cooperation with Japan can continue when Euratom arrangements cease to apply in the UK. As part of these discussions, the UK and Japan also decided to amend the existing NCA in due course to reflect the UK's withdrawal from Euratom. The UK and Japan held negotiations on an amendment to the existing NCA on 4 June. The amendment, once agreed, would complete the legal process to reflect the UK's withdrawal from Euratom in the NCA on a permanent basis. Negotiations on the amendment to the existing NCA continue.

[Implementation guidelines for nuclear operators](#)¹ were published on 27 June outlining future reporting requirements on operators related to nuclear cooperation agreements. These requirements will allow the UK to comply with its NCAs with Australia, Canada, Japan and the US, and other obligations arising from international trade, following withdrawal from Euratom. The guidance, published in collaboration with the Office for Nuclear Regulation (ONR), covers several areas including expectations on operators relating to relevant provisions of the Nuclear Safeguards (EU Exit) Regulations 2019, and export licencing requirements. To ensure that the guidance is clear and helpful to operators, it was opened for comment until 31 August 2019 and remains online while ONR currently considers comments.

The UK also continued to make progress in developing and strengthening the new domestic safeguards regime. The ONR remains in a state of readiness to deliver a state system of accounting for and control of nuclear material (SSAC) that enables the UK to meet its international safeguards obligations when Euratom safeguards arrangements no longer apply to the UK. During this reporting period the ONR has continued to make further enhancements to ensure efficient, effective and resilient operations of the UK SSAC, and began building towards delivery of a regime that is equivalent in effectiveness and coverage to that currently provided by Euratom by the

¹<https://www.gov.uk/government/publications/nuclear-cooperation-agreements-implementation-guidelines-for-operators>

end of December 2020, which is the date at which the UK regime would come into operation if there is an Implementation Period.

Further to the UK's domestic preparations, on 25 March the former Secretary of State prescribed [the form](#) required by UK industry to notify UK regulators of the import of sealed radioactive sources from Member States of the European Community² as well as [the forms](#) required by UK industry and UK regulators to apply for, authorise, and notify transfrontier shipments of radioactive waste and spent fuel³. The use of these forms will only be required from exit day in the event that the UK leaves the EU without a deal. A statement notifying Parliament of the use of the sub-delegated powers used to create these forms can be seen in Annex A⁴.

During the reporting period the Government has continued to work closely with the civil nuclear sector to address the issues that may affect the sector in any exit scenario. For example, the Government has continued to liaise with industry on the effects of the extension of the Article 50 period to ensure the continued robustness of No Deal plans should they be needed. The Government remains committed to regular engagement with industry, civil society, academia, trade unions, and other interested stakeholders and BEIS ensures that stakeholders are kept up to date on planning for issues of relevance to the sector.

²<https://www.gov.uk/guidance/shipping-radioactive-sources-between-the-uk-and-eu-after-brexit>

³<https://www.gov.uk/guidance/shipping-radioactive-waste-and-spent-fuel-after-brexit>

⁴<https://www.gov.uk/government/publications/euratom-exit-quarterly-update-april-to-june-2019>