



Council of the
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Brussels, 25 December 2020
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ADD 2

LIMITE

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PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	25 December 2020
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2020) 857 final
Subject:	ANNEX to the Recommendation for a Council Decision approving the conclusion, by the European Commission, of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the European Atomic Energy Community for Cooperation on the Safe and Peaceful Uses of Nuclear Energy and the conclusion, by the European Commission, on behalf of the European Atomic Energy Community, of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part

Delegations will find attached document COM(2020) 857 final.

Encl.: COM(2020) 857 final

Brussels, 25.12.2020
COM(2020) 857 final

ANNEX 2

SENSITIVE*

ANNEX

to the

Recommendation for a Council Decision

approving the conclusion, by the European Commission, of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the European Atomic Energy Community for Cooperation on the Safe and Peaceful Uses of Nuclear Energy and the conclusion, by the European Commission, on behalf of the European Atomic Energy Community, of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part

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*AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND AND THE EUROPEAN ATOMIC ENERGY COMMUNITY FOR COOPERATION ON
THE SAFE AND PEACEFUL USES OF NUCLEAR ENERGY*

The Government of the United Kingdom of Great Britain and Northern Ireland, hereinafter referred to as "the United Kingdom", and the European Atomic Energy Community (Euratom), hereinafter referred to as "the Community", and hereinafter jointly referred to as the "Parties" and individually as a "Party";

CONSIDERING that on 24 January 2020 the United Kingdom, the European Union (the "Union") and the Community entered into the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the "Withdrawal Agreement") and that the United Kingdom withdrew from the Union on this basis at 23:00 GMT and 00:00 CET on 31 January 2020;

CONSIDERING that Title IX of the Withdrawal Agreement provides for Euratom-related separation issues;

NOTING that the Union and the United Kingdom have agreed the Political Declaration setting out the framework for the future relationship between the European Union and the United Kingdom following the United Kingdom's withdrawal;

RECOGNISING the level of integration between the Community and the United Kingdom in the nuclear field;

RECOGNISING that the United Kingdom, the Community and its Member States have attained a comparable advanced level in the peaceful uses of nuclear energy afforded by their respective laws and regulations concerning nuclear safeguards and nuclear security, public health, nuclear safety, radiation protection, management of radioactive waste and spent fuel, and protection of the environment;

NOTING the United Kingdom's commitment to developing and deploying nuclear energy as part of its diversified and low-carbon energy mix;

DESIRING to make long-term cooperative arrangements in the field of peaceful and non-explosive uses of nuclear energy in a predictable and practical manner, which take into account the needs of their respective nuclear energy programmes and which facilitate trade, research and development and other cooperative activities between the United Kingdom and the Community;

RECOGNISING that the United Kingdom and the Community benefit from cooperation between them in the use of nuclear energy for peaceful purposes;

REAFFIRMING the commitment of the Parties to ensuring that the international development and use of nuclear energy for peaceful purposes shall further the objective of the non-proliferation of nuclear weapons;

REAFFIRMING the support of the United Kingdom, the Community and its Member States for the objectives of the International Atomic Energy Agency (the "IAEA") and the IAEA's safeguards system, and their desire to work together to ensure its continued effectiveness;

OBSERVING that the United Kingdom and all Member States of the Community are parties to the Treaty on the Non-Proliferation of Nuclear Weapons, done at Washington, London and Moscow on 1 July 1968 and which entered into force generally on 5 March 1970, (the "NPT");

REAFFIRMING the support of the Parties for the objectives of the NPT and their desire to promote universal adherence to the NPT;

RECALLING the strong commitment of the United Kingdom, the Community and its Member States to nuclear non-proliferation, including the strengthening and efficient application of the related safeguards and export control regimes under which cooperation in the peaceful uses of nuclear energy between the United Kingdom and the Community is carried out;

RECOGNISING that the United Kingdom, as a nuclear-weapon State under the NPT, has voluntarily entered into the Agreement between the United Kingdom of Great Britain and Northern Ireland and the International Atomic Energy Agency for the Application of Safeguards in the United Kingdom of Great Britain and Northern Ireland in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons and the Protocol Additional to that Agreement both done at Vienna on 7 June 2018 (hereinafter collectively referred to as the "United Kingdom-IAEA Safeguards Agreement");

NOTING that nuclear safeguards are applied in all Member States of the Community pursuant to both the Treaty establishing the European Atomic Energy Community (the "Euratom Treaty") and the safeguards agreements concluded between the Community, its Member States and the IAEA;

RECALLING the strong commitment of the United Kingdom, the Community and its Member States to the secure use of nuclear material as parties to the Convention on the Physical Protection of Nuclear Material, done at Vienna and at New York on 3 March 1980 and which entered into force generally on 8 February 1987, and to the amendment to that Convention done at Vienna on 8 July 2005 and which entered into force generally on 8 May 2016 (hereinafter collectively referred to as the "Amended CPPNM");

NOTING that the United Kingdom and all Member States of the Community participate in the Nuclear Suppliers Group;

NOTING that account should be taken of the commitments made by the United Kingdom and each Member State of the Community in the framework of the Nuclear Suppliers Group;

RECOGNISING that this Agreement is without prejudice to the Agreement between the United Kingdom of Great Britain and Northern Ireland, the Federal Republic of Germany and the Kingdom of the Netherlands on Collaboration in the Development and Exploitation of the Gas Centrifuge Process for producing Enriched Uranium, done at Almelo on 4 March 1970, and the Agreement between the Governments of the United Kingdom of Great Britain and Northern Ireland, the Kingdom of the Netherlands, the Federal Republic of Germany and the French Republic regarding Collaboration in Centrifuge Technology, done at Cardiff on 12 July 2005;

REAFFIRMING the support of the United Kingdom, the Community and its Member States for the international conventions on nuclear safety, radioactive waste and spent fuel management, early notification of a nuclear accident and assistance in case of emergencies;

REAFFIRMING the commitment of the Parties to the safe use of nuclear material and facilities and the protection of people and the environment from the harmful effects of ionising radiation; the importance to the international community of ensuring that the use of nuclear energy is safe, well-regulated and environmentally sound; and the importance of bilateral and multilateral cooperation for effective nuclear safety arrangements, and for enhancing such arrangements;

RECOGNISING the principle of continuous improvement of nuclear safety and both Parties' leadership in this field, including the promotion of high standards worldwide, and recognising the importance to each Party of maintaining a high level of nuclear safety;

CONSIDERING the importance of scientific and technological nuclear fission and fusion research, for both energy and non-energy applications, for the Parties, and their mutual interest in cooperating in this matter;

REAFFIRMING that by signing the Agreement on the Establishment of the ITER International Fusion Energy Organization for the Joint Implementation of the ITER Project¹, the Community has undertaken to participate in the construction of the ITER Project ("ITER") and its future exploitation; the Community contribution is managed through the European Joint Undertaking for ITER and the Development of Fusion Energy ("Fusion for Energy"), established by Council Decision 2007/198/Euratom²;

CONSIDERING that specific terms and conditions regarding the United Kingdom's participation in the ITER project or in other activities through Fusion for Energy and the United Kingdom's participation as an associated country in the Community research and training programme, including the financial contribution, are determined separately;

RECOGNISING the fundamental principle of free movement of goods, products and capital as well as the freedom of employment for specialists within the internal nuclear common market of the Community;

RECOGNISING that this Agreement should be in compliance with the international obligations of the Union and the United Kingdom under the World Trade Organization agreements;

REITERATING commitments of the United Kingdom and the Member States of the Community to their bilateral agreements in the peaceful uses of nuclear energy,

HAVE AGREED AS FOLLOWS:

Article 1 Objective

1. The objective of this Agreement is to provide a framework for cooperation between the Parties in the peaceful uses of nuclear energy on the basis of mutual benefit and reciprocity and without prejudice to the respective competences of each Party.
2. Cooperation under this Agreement shall be carried out exclusively for peaceful purposes.
3. The items subject to this Agreement shall only be used for peaceful purposes and shall not be used for any nuclear weapon or nuclear explosive device, nor for research on or development of any nuclear weapon or other nuclear explosive device or for any military purpose.

Article 2 Definitions

For the purposes of this Agreement, the following definitions apply:

(a) "competent authority" means:

- (i) for the United Kingdom, the Department for Business, Energy and Industrial Strategy and the Office for Nuclear Regulation;

¹ OJ EU L 358, 16.12.2006, p. 62.

² Council Decision 2007/198/Euratom of 27 March 2007 establishing the European Joint Undertaking for ITER and the Development of Fusion Energy and conferring advantages upon it (OJ EU L 90, 30.3.2007, p. 58).

(ii) for the Community, the European Commission;

or such other authority as the Party concerned may at any time notify in writing to the other Party;

(b) “equipment” means those items listed in Sections 1, 3, 4, 5, 6 and 7 of NSG Annex B;

(c) “Guidelines for Nuclear Transfers” means the guidelines set out in IAEA document INFCIRC/254/Part 1, as may be revised from time to time, and as implemented by the Parties unless otherwise agreed after consultations in the Joint Committee;

(d) “intellectual property” has the meaning set out in Article 2 of the Convention establishing the World Intellectual Property Organization, done at Stockholm on 14 July 1967, as amended on 28 September 1979, and may include other subject matter as mutually determined by the Parties;

(e) “Joint Committee” means the committee established under Article 19 [Joint Committee];

(f) “non-nuclear material” has the meaning set out in NSG Annex B;

(g) “NSG Annex B” means Annex B of the Guidelines for Nuclear Transfers;

(h) “nuclear material” means any “source material” or “special fissionable material” as those terms are defined in Article XX of the Statute of the IAEA done at the Headquarters of the United Nations on 23 October 1956 and which entered into force on 29 July 1957 (the “Statute of the IAEA”). Any determination by the Board of Governors of the IAEA under Article XX of the Statute of the IAEA that amends the list of material considered to be “source material” or “special fissionable material” shall only have effect under this Agreement if both Parties agree after consultations in the Joint Committee;

(i) “peaceful purpose” includes the use of nuclear material, including nuclear material derived by one or more processes, non-nuclear material, equipment and technology in such fields as electric power and heat generation, medicine, agriculture and industry, but does not include fabrication of, research on, or development of nuclear weapons or other nuclear explosive devices, or any military purpose. A military purpose does not include provision of power for a military base drawn from any power network, or production of radioisotopes to be used for medical purposes in a military hospital;

(j) “persons” means any natural person, undertaking or other entity governed by the applicable laws and regulations in the respective territorial jurisdictions of the Parties, but does not include the Parties to this Agreement themselves;

(k) “technology” has the meaning set out in Annex A of the Guidelines for Nuclear Transfers;

(l) “transition period” has the meaning set out in the Withdrawal Agreement; and

(m) “Trade and Cooperation Agreement” means the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, and

references in this Agreement to Articles are to Articles in this Agreement, unless provided otherwise.

Article 3 Scope of nuclear cooperation

1. The cooperation in peaceful uses of nuclear energy envisaged between the Parties under this Agreement may include:

- (a) facilitating trade and commercial cooperation;
- (b) the supply of nuclear material, non-nuclear material, and equipment;
- (c) transfer of technology, including supply of information relevant to this Article;
- (d) the procurement of equipment and devices;
- (e) access to and use of equipment and facilities;
- (f) safe management of spent fuel and radioactive waste, including geological disposal;
- (g) nuclear safety and radiation protection, including emergency preparedness and monitoring of levels of radioactivity in the environment;
- (h) nuclear safeguards and physical protection;
- (i) use of radioisotopes and radiation in agriculture, industry, medicine and research; in particular, in order to minimise the risks of shortage of supply of medical radioisotopes, and to support the development of novel technologies and treatments involving radioisotopes, in the interest of public health;
- (j) geological and geophysical exploration, development, production, further processing and use of uranium resources;
- (k) regulatory aspects of the peaceful uses of nuclear energy;
- (l) research and development; and
- (m) other areas relevant to the subject of this Agreement, as may be mutually determined by the Parties in writing after consultations in the Joint Committee.

2. The cooperation in specific areas set out in paragraph 1 may be implemented as necessary through arrangements between a legal entity established in the United Kingdom and a legal entity established in the Community, which the respective competent authority notifies to the other competent authority as being duly authorised to implement such cooperation. Any such arrangements shall include provisions dealing with the protection of intellectual property rights where such rights exist or arise.

Article 4 Forms of nuclear cooperation

The cooperation described in Article 3 [Scope of nuclear cooperation] may take, but is not limited to, the following forms:

- (a) transfer of nuclear material, non-nuclear material, equipment and technology;
- (b) exchange of information in areas of mutual interest, such as nuclear safeguards, nuclear safety, levels of radioactivity in the environment and supply of radioisotopes;

- (c) facilitation of exchange, visits and training of personnel and experts, including professional and advanced training for administrative, scientific, and technical personnel;
- (d) organisation of symposia and seminars;
- (e) exchange of scientific and technical information, assistance and services including in respect of research and development activities;
- (f) organisation of, and participation in, joint projects and establishment of joint ventures and appropriate bilateral working groups or studies;
- (g) facilitation of commercial cooperation relating to the nuclear fuel cycle, such as supply of nuclear fuel cycle services including uranium conversion and isotopic enrichment; and
- (h) other forms of cooperation as may be mutually determined by the Parties in writing after consultations in the Joint Committee.

Article 5 Items subject to this Agreement

1. This Agreement shall apply to the items set out in paragraph 2 unless:
 - (a) otherwise mutually determined by the Parties in writing; or
 - (b) an exception under paragraph 4 applies.
2. The items referred to in paragraph 1 are the following:
 - (a) nuclear material, non-nuclear material, equipment or technology, transferred between the Parties or their respective persons, whether directly or through a third party. Such nuclear material, non-nuclear material, equipment or technology shall become subject to this Agreement upon its entry into the territorial jurisdiction of the receiving Party, provided that the supplier Party has notified the receiving Party in writing of the transfer, and the receiving Party has confirmed in writing that such item is or will be held subject to this Agreement and that the proposed recipient, if other than the receiving Party, is an authorised person under the territorial jurisdiction of the receiving Party;
 - (b) nuclear material, non-nuclear material or equipment used in, or produced through the use of, items subject to this Agreement and as may be further determined in the administrative arrangements established pursuant to Article 15 [Administrative arrangements];
 - (c) nuclear material, non-nuclear material, equipment or technology, as determined in accordance with the procedures set out in the administrative arrangements established pursuant to Article 15 [Administrative arrangements] as being subject to this Agreement following the entry into force of this Agreement; and
 - (d) any other items mutually determined by the Parties after consultations in the Joint Committee.
3. Items to which this Agreement applies as referred to in paragraph 1 shall remain subject to the provisions of this Agreement until it has been determined, in accordance with the procedures set out in the administrative arrangements established pursuant to Article 15 [Administrative arrangements], that:

- (a) such item has been re-transferred beyond the jurisdiction of the receiving Party in accordance with the relevant provisions of this Agreement;
- (b) in respect of nuclear material, such nuclear material is no longer usable for any nuclear activity relevant from the point of view of safeguards referred to in Article 6(1) [Safeguards] or has become practicably irrecoverable; for the purpose of determining when nuclear material subject to this Agreement is no longer usable or is no longer practicably recoverable for processing into a form in which it is usable for any nuclear activity relevant from the point of view of safeguards, both Parties shall accept a determination made by the IAEA in accordance with the provisions for the termination of safeguards of the relevant safeguards agreement to which the IAEA is a party;
- (c) in respect of non-nuclear material and equipment, such item is no longer usable for nuclear purposes;
- (d) such item is no longer subject to this Agreement in accordance with the criteria defined in the administrative arrangements established pursuant to Article 15 [Administrative arrangements]; or
- (e) otherwise mutually determined in writing by the Parties after consultations in the Joint Committee.

4. Technology shall be subject to this Agreement for all Member States of the Community, except for those Member States specified by the Community in a written notification to the United Kingdom on entry into force of this Agreement, those Member States having expressed their will not to place technology in the framework of this Agreement. Such action shall be without prejudice to Community law, in particular the rules concerning the nuclear common market. Any Member State in relation to which a notification under this paragraph has been made shall assist the competent authority of the Community in the fulfilment of the obligations under this Agreement as regards transfers and retransfers of technology. Following consultations in the Joint Committee, the notification referred to in this paragraph may be withdrawn in writing in respect of any Member State concerned at any time, such Member State having expressed its will to this effect. The practical modalities for the implementation of this provision shall be defined in the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

Article 6 Safeguards

1. Nuclear material subject to this Agreement shall be subject to the following conditions:
 - (a) in the Community, to the Euratom safeguards pursuant to the Euratom Treaty and to the IAEA safeguards pursuant to the following safeguards agreements, as they may be revised and replaced, and in accordance with the NPT:
 - (i) the Agreement between the Community's non-nuclear weapon Member States, the European Atomic Energy Community and the International Atomic Energy Agency, done at Brussels on 5 April 1973 and which entered into force on 21 February 1977 (IAEA INFCIRC/193) and the Agreement between France, the European Atomic Energy Community and the International Atomic Energy Agency, done in July 1978 and which entered into force on 12 September 1981 (IAEA INFCIRC/290); and
 - (ii) the Additional Protocols IAEA INFCIRC/193/Add.8, and IAEA INFCIRC/290/Add.1 signed in Vienna on 22 September 1998 and which entered into force on 30 April 2004 on the basis of the IAEA INFCIRC/540 (corrected) (Strengthened Safeguards System, Part II);

(b) in the United Kingdom:

(i) to the domestic safeguards system as implemented by the national competent authority;
and

(ii) to the IAEA safeguards pursuant to the United Kingdom-IAEA Safeguards Agreement.

2. In the event of the application of any of the agreements with the IAEA referred to in paragraph 1 being suspended or terminated for any reason within the Community or the United Kingdom, the relevant Party shall, without delay, enter into an agreement with the IAEA which provides for effectiveness and coverage equivalent to that provided for by the relevant safeguards agreements referred to in point (a) or (b) of paragraph 1, or, if that is not possible:

(a) the Community, as far as it is concerned, shall apply safeguards based on the Euratom safeguards system, which provides for effectiveness and coverage equivalent to that provided by the safeguards agreements referred to in point (a) of paragraph 1 and the United Kingdom, as far it is concerned, shall apply safeguards which provide for effectiveness and coverage equivalent to that provided by the safeguards agreement referred to in point (b) of paragraph 1;

(b) or, if that is not possible, the Parties shall enter into arrangements for the application of safeguards, which provide for effectiveness and coverage equivalent to that provided by the safeguards agreements referred to in point (a) or (b) of paragraph 1.

3. Both Parties agree to implement within their respective jurisdictions a robust and effective system of nuclear material accountancy and control aiming to ensure that nuclear material subject to this Agreement is not diverted from its peaceful use. Supervision, including inspections in the installations holding nuclear material subject to this Agreement, shall be carried out in such a way that the respective competent authorities can draw independent conclusions and, when necessary, require appropriate corrective actions and monitor such actions.

Article 7 Physical protection

1. Application of physical protection measures shall be at all times at levels which satisfy as a minimum the criteria set out in Annex C of the Guidelines for Nuclear Transfers. Supplementary to that document, the United Kingdom, the Community as represented by the European Commission where appropriate, and the Member States of the Community shall refer, when applying physical protection measures, to their obligations under the Amended CPPNM, including any amendments that are in force for each Party, and the recommendations in IAEA INFCIRC/225/Rev.5 (Nuclear Security Recommendations on Physical Protection of Nuclear Material and Nuclear Facilities), including any revision unless mutually determined otherwise by the Parties after consultations in the Joint Committee.

2. Transport of nuclear material shall be subject to the provisions of the Amended CPPNM, including any amendments that are in force for each Party, and to the IAEA Regulations for the Safe Transport of Radioactive Material (IAEA Safety Standards Series No. TS-R-1) including any revision unless mutually determined otherwise by the Parties after consultations in the Joint Committee.

Article 8 Nuclear safety

1. The Community and the United Kingdom are parties to the Convention on Nuclear Safety, done at Vienna on 17 June 1994, and which entered into force on 24 October 1996 (IAEA INFCIRC/449), the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, done at Vienna on 5 September 1997, and which entered into

force on 18 June 2001 (IAEA INFCIRC/546), the Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency, done at Vienna on 26 September 1986, and which entered into force on 26 February 1987 (IAEA INFCIRC/336) and the Convention on Early Notification of a Nuclear Accident, done at Vienna on 26 September 1986, and which entered into force on 27 October 1986 (IAEA INFCIRC/335). Any amendment to any of the aforementioned Conventions applies to this Agreement unless a Party has notified the other Party in writing that it does not accept the amendment. The Community, its Member States and the United Kingdom have approved the Vienna Declaration on Nuclear Safety adopted on 9 February 2015 (IAEA INFCIRC/872).

2. The Parties acknowledge the importance of international cooperation for effective nuclear safety arrangements and, recognising both Parties' leadership in this field, shall work together on the continuous improvement of international nuclear safety standards and Conventions, and of their implementation.

3. Recognising the principle of continuous improvement of nuclear safety and the right of each Party to implement nuclear safety standards, and insofar as it does not conflict with developments in legally binding international nuclear safety standards, each Party shall not weaken or reduce the levels of protection below those provided for by the standards of protection, and by the enforcement thereof, shared by the Parties at the end of the transition period in relation to nuclear safety, radiation protection, safe management of radioactive waste and spent fuel, decommissioning, safe shipment of nuclear material, and emergency preparedness and response.

4. The Parties shall continue to cooperate, maintain regular contacts and share information on matters relevant to nuclear safety, radiation protection, emergency preparedness and response and management of spent fuel and radioactive waste, including the results of international peer reviews, where appropriate.

5. The Parties shall continue to cooperate in the subject matters covered by:

(a) established Community systems for monitoring and exchanging information on levels of radioactivity in the environment, including:

(i) the European Community Urgent Radiological Information Exchange (ECURIE); and

(ii) the European Radiological Data Exchange Platform (EURDEP);

(b) established expert advisory groups in the field of nuclear safety, including the European Nuclear Safety Regulators Group; and

(c) any other Community systems or groups as may be agreed between the Parties through their competent authorities.

The Community, through its competent authority, may invite the United Kingdom to participate as a third country in those systems and groups.

Article 9 Transfers, retransfers and facilitation of trade

1. Any transfer of nuclear material, non-nuclear material, equipment or technology carried out pursuant to the cooperation activities under this Agreement shall be made in accordance with the relevant international commitments of the Community, the Member States of the Community, and the United Kingdom in relation to peaceful uses of nuclear energy as listed in Articles 6 [Safeguards] and 7 [Physical protection] and in relation to the commitments undertaken by individual Member

States of the Community and the United Kingdom within the Nuclear Suppliers Group, as set out in the Guidelines for Nuclear Transfers.

2. The Parties shall facilitate trade in items subject to this Agreement between themselves or between persons established in the respective territories of the Parties in the mutual interest of producers, the nuclear fuel cycle industry, utilities and consumers.

3. The Parties shall, to such extent as is practicable, assist each other in the procurement, by either Party or by persons within the Community or under the jurisdiction of the United Kingdom, of nuclear material, non-nuclear material, equipment or technology.

4. The continuation of the cooperation envisaged in this Agreement shall be contingent upon the mutually satisfactory application of the system for safeguards and control established by the Community in accordance with the Euratom Treaty and of the system for safeguards and control established by the United Kingdom.

5. The provisions of this Agreement shall not be used to jeopardise the integrity and smooth functioning of the Community's common nuclear market, in particular to impede the free movement of goods and services in it, or to frustrate the Community's nuclear common supply policy.

6. Transfers of nuclear material, non-nuclear material, equipment or technology and appropriate services shall be carried out under fair commercial conditions. The implementation of this paragraph shall be without prejudice to the Euratom Treaty and its derived legislation, and to the laws and regulations of the United Kingdom.

7. Any retransfers of nuclear material, non-nuclear material, equipment or technology subject to this Agreement outside the jurisdiction of the Parties shall only be made in the framework of the commitments undertaken by individual Member States of the Community and the United Kingdom within the Nuclear Suppliers Group. In particular, the Guidelines for Nuclear Transfers shall apply to retransfers of any items subject to this Agreement.

8. Written notifications in respect of transfers of items subject to this Agreement and retransfers of non-nuclear material, equipment and technology subject to this Agreement shall be exchanged in accordance with the procedures set out in the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

9. Non-nuclear material, equipment and technology subject to this Agreement shall not be transferred beyond the territorial jurisdiction of the receiving Party without the prior written consent of the supplier Party, except in accordance with paragraph 11 of this Article. This provision is without prejudice to Article 5(4) [Items subject to this Agreement].

10. When the Guidelines for Nuclear Transfers require the consent of the supplier Party, nuclear material subject to this Agreement shall not be transferred beyond the territorial jurisdiction of the receiving Party without the prior written consent of the supplier Party, except in accordance with paragraph 11.

11. Upon entry into force of this Agreement, the Parties shall exchange lists of countries to which retransfers of nuclear material, non-nuclear material, equipment and technology by the other Party pursuant to paragraphs 9 and 10 of this Article are authorised. Each Party shall notify the other Party of changes to any of its lists of countries according to the procedures defined in the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

12. Where the United Kingdom or a Member State of the Community transfers technology subject to this Agreement to a Member State that falls under the exception provided for in Article 5(4) [Items subject to this Agreement], paragraphs 7 and 9 of this Article apply. The practical modalities for the implementation of this paragraph shall be defined in the framework of the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

Article 10 Enrichment

A Party shall obtain the written consent of the other Party prior to the enrichment of any nuclear material subject to this Agreement to 20% or more in the isotope Uranium-235. Such consent, if granted, must describe the conditions under which the resultant uranium enriched to 20% or more may be used. Further provisions necessary to facilitate the implementation of this provision may be set out in the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

Article 11 Reprocessing

Each Party grants its consent to the other Party reprocessing nuclear fuel containing nuclear material subject to this Agreement provided that such reprocessing takes place in accordance with the conditions set out in the Annex [Reprocessing].

Article 12 Cooperation on nuclear research and development

1. The Parties shall cooperate on research and development for peaceful uses, both power and non-power, of nuclear energy, including the development of fusion energy, between themselves and their agencies, where the Parties have common interests and insofar as they are covered by their respective research and development programmes and activities. The Parties or their agencies, as appropriate, may allow the participation in such cooperation of researchers and organisations from all research sectors, including universities, laboratories and the private sector. The Parties shall, in accordance with their respective laws and regulations, seek to facilitate such cooperation between persons in this field.

2. Cooperation under this Article may include:

(a) participation of the United Kingdom as a third country in the Community's research and training programmes and activities; and

(b) the United Kingdom's membership of Fusion for Energy,

in accordance with the conditions laid out in the Trade and Cooperation Agreement.

3. To the extent necessary, the Parties, or their competent authorities, may conclude separate implementing arrangements setting out the specific scope, terms and conditions for the cooperation subject to this Article.

4. Implementing arrangements established pursuant to paragraph 3 may cover, inter alia, financing provisions, assignment of management and operational responsibilities and detailed provisions on dissemination and sharing of information, and intellectual property.

Article 13 Exchange of information and technical expertise

1. The Parties shall promote and facilitate the appropriate and proportionate exchange of information and technical expertise between themselves, and between their respective competent authorities, on matters within the scope of this Agreement.
2. The Parties may make available to each other, to their competent authorities and to persons within the Community or under the jurisdiction of the United Kingdom, information at their disposal on matters within the scope of this Agreement.
3. Information received from any third party under terms which prevent the further supply of such information shall be excluded from the scope of this Agreement.
4. Information regarded by the supplier Party as being of commercial value shall be supplied only under terms and conditions specified by the supplier Party.
5. The Parties shall encourage and facilitate the exchange of information between persons under the jurisdiction of the United Kingdom, on the one side, and persons within the Community, on the other side, on matters within the scope of this Agreement.
6. Information owned by such persons shall be supplied only with the consent of and under terms and conditions to be specified by those persons.
7. The Parties shall take all appropriate precautions to preserve the confidentiality of information received as a result of the operation of this Agreement.

Article 14 Intellectual property

1. The Parties shall ensure the adequate and effective protection of intellectual property created and technology transferred pursuant to the cooperation under this Agreement in accordance with the relevant international agreements and arrangements, and the laws and regulations in force in the United Kingdom and in the Union, the Community or their Member States.
2. This Agreement is not intended to transfer any intellectual property. The intellectual property generated under the framework of the cooperation provided for by this Agreement shall be allocated on a case-by-case basis in any specific agreements, arrangements or contracts associated with this Agreement.

Article 15 Administrative arrangements

1. The Parties, through their respective competent authorities, shall establish administrative arrangements to implement this Agreement effectively. Such arrangements shall include the procedures necessary for the competent authorities to implement and administer this Agreement.
2. Administrative arrangements established pursuant to this Article may be amended as mutually determined in writing by the competent authorities.
3. Administrative arrangements may provide for the exchange of inventory lists in respect of the items subject to this Agreement.
4. Administrative arrangements may set out the mechanisms for consultations between the competent authorities.

5. The accounting of nuclear material and non-nuclear material subject to this Agreement shall be based on fungibility and the principles of proportionality and equivalence of nuclear material and non-nuclear material as set out in the administrative arrangements established pursuant to this Article.

Article 16 Implementation

1. The provisions of this Agreement shall be implemented in good faith in such a manner as to avoid hampering of, delay or undue interference in, the nuclear activities in the United Kingdom and in the Community and so as to be consistent with the prudent management practices required for the economic and safe conduct of nuclear activities.

2. The provisions of this Agreement shall not be used for the purpose of seeking commercial or industrial advantages, nor of interfering with the commercial or industrial interests, whether domestic or international, of either Party or authorised persons, nor of interfering with the nuclear policy of either Party or of the Member States of the Community, nor of hindering the promotion of the peaceful and non-explosive uses of nuclear energy, nor of hindering the movement of items subject to or notified to be made subject to this Agreement either within the respective territorial jurisdictions of the Parties or between the United Kingdom and the Community.

Article 17 Applicable law

1. The cooperation provided for in this Agreement shall be in accordance with the respective laws and regulations in force in the United Kingdom and within the Union and the Community as well as with the international agreements entered into by the Parties, without prejudice to Article 18 [Existing agreements]. In the case of the Community, the applicable law includes the Euratom Treaty and its secondary legislation.

2. Each Party shall be responsible toward the other for ensuring that the provisions of this Agreement are accepted and complied with as to the United Kingdom, by all persons under its jurisdiction to whom authorisation has been granted pursuant to this Agreement, and as to the Community, by all persons within the Community to whom authorisation has been granted pursuant to this Agreement.

Article 18 Existing agreements

1. The provisions of any bilateral civil nuclear cooperation agreements in force between the United Kingdom and Member States of the Community shall be regarded as complementary to this Agreement and shall, where appropriate, be superseded by the provisions of this Agreement.

2. This Agreement shall not constitute a supplementing agreement to the Trade and Cooperation Agreement.

3. This Agreement applies without prejudice to any earlier bilateral agreement between the United Kingdom of the one part and the Union and Euratom of the other part.

Article 19 Joint Committee

1. A joint committee is hereby established by the Parties.

2. The composition of and procedures relating to the Joint Committee shall be set out in the administrative arrangements established pursuant to Article 15 [Administrative arrangements].

3. The Joint Committee shall meet regularly, and at the request of either Party's competent authority, to supervise the implementation of this Agreement.

4. The functions of the Joint Committee shall include, but are not limited to, the following:

- (a) exchanging information, discussing best practices, sharing implementation experience;
- (b) establishing and coordinating working groups acting within the scope of this Agreement;
- (c) identifying, discussing and consulting on technical issues;
- (d) adopting recommendations for joint decisions to be made by the Parties when provided for in this Agreement, including for joint decisions to amend this Agreement;
- (e) acting as a forum for consultation, including in respect of dispute settlement;
- (f) coordinating action for cooperation in non-power uses of nuclear energy, in particular, in order to minimise the risks of shortage of supply of medical radioisotopes, and to support the development of novel technologies and treatments involving radioisotopes, in the interest of public health; and
- (g) acting as a technical forum for any other matters in respect of this Agreement.

Article 20 Consultation

At the request of either Party, representatives of the Parties shall meet when necessary to consult with each other in the framework of the Joint Committee on matters arising out of the application of this Agreement, to supervise its operation and to discuss arrangements for cooperation in addition to those provided for in this Agreement. Such consultations may also take the form of an exchange of correspondence.

Article 21 Settlement of disputes

1. The Parties shall promptly discuss in the Joint Committee any dispute between them concerning the application, interpretation or implementation of this Agreement with a view to resolving the dispute by negotiation. Any such discussion or negotiation may take the form of an exchange of correspondence.

2. Any such dispute which is not settled by negotiation and mandatory consultations in the framework of the Joint Committee shall, on the request of either Party, be submitted to an arbitral tribunal which shall be composed of three arbitrators. Each Party shall designate one arbitrator and the two arbitrators so designated shall elect a third, not a national of either Party, who shall be the chairperson.

3. If within 30 days of the request for arbitration either Party has not designated an arbitrator, the other Party to the dispute may request the President of the International Court of Justice to appoint an arbitrator to the Party which has not designated an arbitrator. If within 30 days of the designation or appointment of arbitrators for both the Parties the third arbitrator has not been elected, either Party may request the President of the International Court of Justice to appoint the third arbitrator.

4. A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall be made by majority vote of all the members of the arbitral tribunal. The arbitral

procedure shall be established by the tribunal. The decisions of the tribunal shall be binding on both Parties and implemented by them. The remuneration of the arbitrators shall be determined on the same basis as that for ad hoc judges of the International Court of Justice. Any arbitral decision or award shall be executed in compliance with all applicable legislation of the Parties and international law.

Article 22 Cessation of cooperation in case of serious breach

1. In the event that:

(a) either Party or any Member State of the Community is in serious breach of any of the material obligations under Articles 1 [Objective], 5 [Items subject to this Agreement], 6 [Safeguards], 7 [Physical protection], 9 [Transfers, retransfers and facilitation of trade], 10 [Enrichment], 11 [Reprocessing] or 15 [Administrative arrangements], or any other obligations under this Agreement as may be mutually determined by the Parties in writing after consultations in the Joint Committee; or

(b) in particular, a non-nuclear weapon Member State of the Community detonates a nuclear explosive device, or a nuclear weapon Member State of the Community or the United Kingdom detonates a nuclear explosive device using any item subject to this Agreement,

the other Party may, on giving written notification to that effect, suspend or terminate in whole or in part the cooperation under this Agreement. In its notification, the Party shall identify the measures which it considers to constitute a serious breach of obligations under this Agreement, specify the provisions it intends to suspend or terminate and the date from which it intends to apply the suspension or termination.

2. Before either Party takes action to that effect, the Parties shall consult in the framework of the Joint Committee with a view to reaching an amicable resolution including a decision on whether corrective or other measures are needed, and if so, the measures to be taken and the time-scale within which such measures shall be taken.

3. Suspension or termination pursuant to paragraph 1 shall be taken only if there has been a failure to implement the corrective or other measures within the time determined by the Joint Committee or, in the event of failure to find an amicable solution, within a reasonable period of time but without delay.

4. A suspension shall cease to apply when the suspending Party is satisfied that the other Party is complying with its obligations under this Agreement, whether of its own accord or as a result of a decision of an arbitral tribunal.

5. In the event of suspension or termination of this Agreement, the supplier Party shall have the right to require the return of items subject to this Agreement.

Article 23 Amendments

1. The Parties may consult, at the request of either Party, in the framework of the Joint Committee, on possible amendments to this Agreement, particularly to take account of international developments in the nuclear field.

2. This Agreement may be amended if the Parties so agree

3. Any amendment shall enter into force on the date specified by the Parties, by an exchange of diplomatic notes between the Parties or through their competent authorities, as appropriate, that their respective internal procedures necessary for its entry into force have been completed.

4. The Annex to this Agreement forms an integral part of this Agreement and may be amended in accordance with this Article.

Article 24 Entry into force and duration

1. This Agreement shall enter into force on the first day of the month following that in which both Parties have notified each other that they have completed their respective internal requirements and procedures for establishing their consent to be bound.

2. This Agreement shall remain in force for an initial period of 30 years. Thereafter, this Agreement shall be automatically renewed for additional periods of ten years, unless, at least six months before the expiration of the initial 30-year period or of any such additional ten-year period, a Party notifies the other Party by an exchange of diplomatic notes of its intention to terminate the Agreement.

3. Notwithstanding the suspension, termination or expiration of this Agreement or any cooperation hereunder for any reason, the obligations in Articles 1 [Objective], 5 [Items subject to this Agreement], 6 [Safeguards], 7 [Physical protection], 9 [Transfers, retransfers and facilitation of trade], 10 [Enrichment], 11 [Reprocessing], 13 [Exchange of information and technical expertise], 14 [Intellectual property], 15 [Administrative arrangements], 16 [Implementation], 17 [Applicable law], 18 [Existing agreements], 20 [Consultation], 21 [Settlement of disputes] and 22 [Cessation of cooperation in case of serious breach] shall continue to be in effect so long as any item subject to those Articles remains in the territory of the other Party or under its jurisdiction or control anywhere, or until it is mutually determined by the Parties in accordance with Article 5 [Items subject to this Agreement] that nuclear material subject to this Agreement is no longer usable, or is practicably irrecoverable for processing into a form in which it is usable, for any nuclear activity relevant from the point of view of safeguards.

Article 25 Authentic texts

This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages. The Parties shall authenticate by 30 April 2021 the language versions other than the English version by an exchange of diplomatic notes.

ANNEX - REPROCESSING

Article 1

Nuclear material subject to this Agreement shall be reprocessed subject to the following conditions:

- (a) reprocessing shall take place for the purposes of energy use or management of materials contained in spent fuel, in accordance with the nuclear fuel cycle programme mutually determined through consultation between the competent authorities;
- (b) a description of any proposed nuclear fuel cycle programme, including details on the policy, legal and regulatory framework relevant to reprocessing and plutonium storage, use and transportation shall be provided by the competent authority of the Party envisaging such activities;
- (c) the recovered plutonium shall be stored and used in accordance with the nuclear fuel cycle programme referred to in point (a); and
- (d) reprocessing and use of the recovered plutonium for non-explosive peaceful purposes, including research, not included in the nuclear fuel cycle programme referred to in point (a) shall take place only under conditions mutually determined in writing between the Parties following consultations pursuant to Article 2 of this Annex.

Article 2

Consultations shall be held in the Joint Committee within 40 days of the receipt of a request from either Party:

- (a) to review the operation of the provisions of this Annex;
- (b) to consider amendments to the nuclear fuel cycle programme referred to in Article 1 of this Annex;
- (c) to consider improvements in international safeguards and other control techniques including the establishment of new and generally accepted international mechanisms relevant to reprocessing and plutonium; or
- (d) to consider proposals for reprocessing, use, storage and transportation of the recovered plutonium for other peaceful non-explosive purposes, including research.