

**AGREEMENT
BETWEEN
THE GOVERNMENT
OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT
OF THE RUSSIAN FEDERATION
ON SCIENTIFIC AND TECHNICAL COOPERATION
IN THE MANAGEMENT OF PLUTONIUM
THAT HAS BEEN WITHDRAWN
FROM NUCLEAR MILITARY PROGRAMS**

The Government of the United States of America and the Government of the Russian Federation, hereafter referred to as the Parties,

Taking into account:

- The January 14, 1994, Declaration of the Presidents of the United States and the Russian Federation on "Nonproliferation of Weapons of Mass Destruction and the Means of Their Delivery";
- The Declaration of the April 19-20, 1996, Summit on Nuclear Safety and Security in Moscow;
- The Conclusions of the International Meeting of Experts in Paris, on October 28-31, 1996, concerning the safe and efficient management of fissile materials designated as no longer required for defense purposes;
- The statement regarding fissile materials in the June 22, 1997, Final Communiqué of the Denver Summit of the Eight;
- The statement of the President of the United States on March 1, 1995, that 200 tons of fissile material will be withdrawn from the U.S. nuclear stockpile and directing that these materials will never again be used to build a nuclear weapon; and
- The message of the President of the Russian Federation to the participants of the 41st General Conference of the IAEA, September 26, 1997, on step by step removal from nuclear defense programs of up to 500 tonnes of highly enriched uranium and up to 50 tonnes of plutonium released in the process of nuclear disarmament;

Have agreed as follows:

ARTICLE I

The purposes of this Agreement are to:

- a) Provide the scientific and technical basis for decisions on how plutonium, subject to this Agreement, shall be managed; and
- b) Establish a framework for continued and expanded scientific and technical cooperation for the accomplishment of the objective in paragraph a.

ARTICLE 2

For purposes of this Agreement:

1. "Plutonium" means plutonium that has been withdrawn from nuclear military programs and is no longer required for defense purposes.
2. "Management of plutonium" means the transformation of plutonium into spent fuel or other forms equally unusable for nuclear weapons or other nuclear explosive devices, and may include conversion of plutonium and its manufacture into MOX fuel, use of MOX fuel in nuclear reactors, and immobilization of plutonium in various forms.

ARTICLE J

1. The Parties shall:
 - a) Continue to cooperate with small-scale tests and demonstrations relating to management of plutonium; and
 - b) As soon as is practicable, also proceed to pilot-scale demonstrations of technologies for plutonium management.
2. The principal subject areas for the Parties' cooperative efforts shall be:
 - a) Conversion of metallic plutonium into oxide suitable for the manufacture of MOX fuel for nuclear power reactors of various types;
 - b) Stabilization of unstable forms of plutonium;
 - c) Use of plutonium in the form of MOX fuel in various types of nuclear power reactors;
 - d) Immobilization of plutonium, including wastes and hard-to-process forms; and
 - e) Disposal of immobilized forms of materials containing plutonium in deep geological formations.

ARTICLE 4

1. The Parties shall designate Executive Agents to carry out the provisions of this Agreement. The Executive Agent for the United States of America shall be the U.S. Department of Energy and the Executive Agent for the Russian Federation shall be the Russian Ministry for Atomic Energy.

2. The Parties shall have the right, consistent with their respective laws and regulations, and following written notification to the other Party, to obtain participation, as necessary, in the implementation of this Agreement, by other agencies, departments, and units of their respective governments.
3. To accomplish the objectives of this Agreement, the Parties shall establish a U.S.-Russian Joint Steering Committee on Plutonium Management, which shall coordinate and agree upon work undertaken under this Agreement. Each Party shall designate its members on the Joint Steering Committee. Decisions of the Joint Steering Committee shall be taken by consensus.
4. The tasks of the Joint Steering Committee shall include:
 - a) Development of overall work programs and areas of cooperation within the scope of this Agreement;
 - b) Prioritization, coordination, review and approval of the cooperative projects under this Agreement within the resources made available by the Parties;
 - c) Resolution of any disputes that may arise with respect to the scientific and technical work performed under this Agreement; and
 - d) Such other matters, as the Parties may agree, that are within the scope of this Agreement.
5. When agreement is reached on the performance of joint research, projects, or experiments under this Agreement, detailed procedures for performing the activities involved shall be officially drawn up in the form of implementing arrangements, to be reviewed and approved by the Joint Steering Committee.

ARTICLE 5

Cooperation between the Parties within the framework of this Agreement may include the following:

- a) Sharing of scientific and technical information;
- b) Development of conceptual approaches;
- c) Research, experiments and small-scale demonstrations of technological solutions;
- d) Design, construction, and operation of pilot-scale facilities for demonstrating and testing technological solutions obtained as a result of research;
- e) Transfer of equipment and non-nuclear materials;
- f) Meetings, seminars, conferences, personnel assignments, and workshops for the sharing of information;
- g) Feasibility studies; and
- h) Such other forms of cooperation within the scope of this Agreement as the Executive Agents may agree upon in writing.

ARTICLE 6

1. In the implementation of this Agreement, only unclassified information shall be exchanged.
2. In order to prevent access to it by people and organizations not participating in the implementation of this Agreement, information provided by the Parties pursuant to, or produced as a result of, this Agreement which is considered sensitive by the Parties is to be held in confidence and must be clearly designated and marked. The Party transmitting the information will designate information as sensitive in accordance with its internal laws and regulations. The Party receiving this information shall assign it a designation that provides a degree of protection at least equivalent to that required by the Party that furnished the information.
3. Sensitive information shall be handled in accordance with the laws and regulations of the Party receiving the information, and shall not be disclosed or transmitted to a third party not participating in implementation of this Agreement without the written consent of the Party transmitting the information. According to the regulations of the United States, such information shall be treated as foreign government information provided in confidence and shall be protected appropriately. According to the norms and regulations of the Russian Federation, such information shall be treated as official information with limited distribution and shall be protected appropriately.
4. The Parties shall assure effective protection and allocation of rights to intellectual property transmitted or created under this Agreement, as set forth in this Article and in the Annex to this Agreement, which forms an integral part of this Agreement.
5. Information transmitted under this Agreement must be used solely in accordance with this Agreement.
6. The number of people having access to sensitive information must be limited to the number necessary to implement this Agreement and other programs associated with this Agreement, and shall be determined by the Parties' Executive Agents.

ARTICLE 7

1. Materials, equipment and technologies transferred under the terms of this Agreement, shall not be used for the production of nuclear weapons, any nuclear explosive devices, or for research or development of such devices or for the furtherance of any military purpose.
2. Materials, equipment and technologies, transferred under the terms of this Agreement, shall not be exported, re-exported, or transferred from the jurisdiction of the recipient without the written consent of the Parties.
3. Prior to the export under the terms of this Agreement to a third party of any equipment, materials or technologies, the Parties by mutual agreement in writing shall define the conditions in accordance with which such items shall be exported, re-exported, or transferred from the jurisdiction of the third party.
4. The Parties' Executive Agents shall take all measures necessary to ensure adequate physical protection of nuclear materials, equipment, installations, and nuclear technologies in its jurisdiction, and shall apply criteria and levels of physical

protection not lower than those identified in the Convention on the Physical Protection of Nuclear Material and in recommendations of the IAEA.

ARTICLE 8

Equipment, supplies, materials, services and activities provided or acquired by the United States of America, its contractors, subcontractors, and their personnel for the implementation of this Agreement are free technical assistance and are thus exempt from customs duties and taxes. The Russian Federation shall take all necessary measures to exempt this equipment, shipments, materials, services, and work from all taxes, tariffs, customs duties, and levies of the Russian Federation and its instrumentalities.

ARTICLE 9

1. With the exception of claims for damage or injury against individuals arising from their premeditated actions, the Government of the Russian Federation shall bring no claims or other legal proceedings against the Government of the United States of America and its personnel or its contractors, sub-contractors, consultants, suppliers or sub-suppliers of equipment or services at any tier and their personnel, in any court or forum, for any damage, including indirect, direct or consequential damage, arising from activities undertaken pursuant to this Agreement, to property owned by the Russian Federation. This paragraph shall not apply to legal actions brought by the Government of the Russian Federation to enforce the provisions of contracts to which it or a Russian national or other legal entity is a party.

2. With the exception of claims for damage or injury against individuals arising from their premeditated actions, the Government of the Russian Federation shall provide for the adequate defense of, shall indemnify, and shall bring no claims or other legal proceedings against the Government of the United States of America and its personnel or its contractors, sub-contractors, consultants, suppliers or sub-suppliers of equipment or services at any tier and their personnel, in connection with third-party claims, in any court or forum, for any injury or damage, including indirect, direct, or consequential injury or damage, arising from activities undertaken pursuant to this Agreement, occurring within or outside the territory of the Russian Federation. Nothing in this paragraph shall be construed as acknowledging the jurisdiction of any court or forum over third-party claims to which this paragraph applies, nor shall it be construed as waiving the sovereign immunity of either Party with respect to third-party claims that may be brought against it.

3. The Parties may, as necessary, conduct consultations regarding claims and legal proceedings concerning this Article.

4. The provisions of this Article shall not prevent the Parties from providing compensation in accordance with their national laws.

5. Nothing in this Article shall be interpreted to prevent legal proceedings or claims against nationals of the Russian Federation or permanent residents of the Russian Federation.

ARTICLE 10

1. Joint activities under this Agreement shall be supported by funds and in-kind contributions of equipment, material, and labor provided on a non-reimbursable basis for these purposes by the United States of America and the Russian Federation.

Joint activities may also be supported, in whole or in part, from funds directly from other sources, including non-government funds and funds from the private sector.

2. In all cases, the activities of, and financial support provided by, the United States of America under this Agreement are subject to the availability of appropriated funds. In all cases, the activities of, and financial support provided by, the Russian Federation under this Agreement are subject to the availability of appropriated funds.

ARTICLE 11

In the event that a Party awards contracts for the acquisition of articles and services, including construction, to implement this Agreement, such contracts shall be awarded in accordance with the laws and regulations of that Party.

ARTICLE 12

1. Representatives of the U.S. Department of Energy shall have the right upon reasonable notice to examine and audit the use of any support or assistance provided by the U.S. Government in connection with cooperation under this Agreement during the life of this Agreement and for three years thereafter. Such examinations may be conducted at sites or locations as agreed to by the Parties' Executive Agents.

2. The Parties' Executive Agents shall develop appropriate arrangements for conducting audits and examinations for all work performed within the framework of this Agreement.

ARTICLE 13

All questions regarding the interpretation or application of this Agreement shall be resolved by means of consultation between the Parties.

ARTICLE 14

1. This Agreement shall enter into force on the date of signature, and shall remain in force for five years. The Agreement may be extended for successive five-year periods with the written consent of both Parties after joint review before the end of each five-year period. The Agreement may be amended by written agreement of the Parties.

2. This Agreement may be terminated by either Party by sending written notice through diplomatic channels of its intent to terminate the Agreement, in which case the Agreement shall terminate six months from the date of the notification.

3. In the event that either Party exercises its right to terminate this Agreement, the Parties may agree upon the implementation of existing contracts and projects until their completion, and will settle any outstanding costs by mutual agreement. If this Agreement is terminated or expires, the Parties agree that all sensitive information and intellectual property that was made available in the course of the Agreement shall continue to be treated in conformance with Article 6 of this Agreement, unless other arrangements are made by written agreement of the Parties.

Done at Moscow this twenty-fourth day of July, 1998, in duplicate in the English and Russian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
RUSSIAN FEDERATION:

