

**Testimony of Assistant Secretary Thomas M. Countryman on the  
President's Submission to the Congress of the Agreement for  
Cooperation Between the Government of the United States of America  
and the Government of the Kingdom of Norway Concerning Peaceful  
Uses of Nuclear Energy (123 Agreement)**

**Senate Foreign Relations Committee**

**September 15, 2016**

Mr. Chairman and Ranking Member:

Good afternoon. It is a pleasure to testify before the Committee today regarding the President's submission of an agreement for peaceful nuclear cooperation between the United States and Norway. As you know, Norway is a long standing strategic ally and political partner of the United States, and this Agreement is an example of the strength of our bilateral relationship. The United States and Norway have had a strong partnership in the field of peaceful nuclear cooperation for more than half a century, and the United States is pleased to renew this cooperation with an updated 123 agreement. The terms of the new U.S.-Norway Agreement strongly reaffirm the two governments' shared commitment to nonproliferation as the cornerstone of our nuclear cooperation relationship. Norway has a strong track record on and has consistently reiterated its commitment to nonproliferation. It has been an extremely active partner with the United States across a wide

breadth of bilateral and multilateral activities designed to ensure the implementation of the highest standards of nuclear safety, security, and nonproliferation worldwide.

### **Description of Agreement**

As with all our 123 agreements, this Agreement is first and foremost an asset that advances U.S. nonproliferation policy objectives. The President's transmittal of the Agreement, and the Nuclear Proliferation Assessment Statement that accompanied it, include a detailed description of the contents of the Agreement. I will not repeat that here, but the Agreement contains all the U.S. nonproliferation guaranties required by the Atomic Energy Act and common to 123 agreements, including conditions related to International Atomic Energy Agency (IAEA) safeguards, peaceful uses assurances, physical protection assurances, and U.S. consent rights on storage, retransfer, enrichment, and reprocessing of U.S.-obligated nuclear material. The agreement establishes the legal framework for the transfer of information, material, equipment, and components for nuclear research and nuclear power production. It does not permit transfers of Restricted Data, sensitive nuclear technology, sensitive nuclear facilities or major critical components of such facilities.

Norway has no nuclear power program, and no current plans for establishing one, but the Agreement would facilitate cooperation on such a program if Norway's plans change in the future. Norway does have an active nuclear research program and the focus of cooperation under the proposed agreement is expected to be in the area of nuclear research. Its Halden boiling heavy water reactor went online in 1958 and continues to operate as a multinational research and development facility. Operating on low enriched uranium, the reactor is devoted to many types of safety research including fuel and cladding development, material research, and plant aging and degradation. The United States provided the initial heavy water for the Halden reactor, and many U.S. companies and organizations have utilized the facilities of the Halden Reactor Project, including the U.S. Department of Energy, Oak Ridge National Laboratory, and Idaho National Laboratory. Several other private firms such as General Electric Global Nuclear Fuel, Westinghouse Nuclear, and research institutions such as the Electric Power Research Institute have also participated in activities at the Halden Reactor Project.

One feature of the Agreement that is not found in all of our 123 agreements, although it is also not unusual, is that it provides advance, long-

term (“programmatic”) consent to Norway for the retransfer of irradiated nuclear material (spent fuel) to France, the United Kingdom, or other countries for storage or reprocessing subject to our consent and that of the recipient. The 123 Agreement would give the United States the option to revoke the advance consent if it considers it to be required by exceptional circumstances of concern from a nonproliferation or security standpoint; for example, if it believes that the arrangements cannot be continued without a significant increase of the risk of proliferation or without jeopardizing national security.

The Agreement has a term of 30 years, although it can be terminated by either party on one year’s advance written notice. In the event of termination or expiration of the agreement, key nonproliferation conditions and controls will continue in effect as long as any material, equipment, or component subject to the agreement remains in the territory of the party concerned or under its jurisdiction or control anywhere, or until such time as the parties agree such items are no longer usable for any nuclear activity relevant from the point of view of safeguards.

### **Norway as a Nonproliferation Partner**

Norway has a strong nonproliferation record. It is an original party to the Treaty on the Non-Proliferation of Nuclear Weapons (“NPT”). Its safeguards agreement with the International Atomic Energy Agency (“IAEA”) entered into force on March 1, 1972. The Additional Protocol to its safeguards agreement entered into force on May 16, 2000, and the IAEA has concluded that all nuclear material in Norway remains in peaceful uses. Norway has been a vocal proponent for universal accession to the Additional Protocol, which grants the IAEA expanded safeguards authorities. It is a party to the amended Convention on the Physical Protection of Nuclear Material and Nuclear Facilities, and has signed and ratified the Comprehensive Test Ban Treaty and the International Convention for the Suppression of Acts of Nuclear Terrorism. It is also a member of the Nuclear Suppliers Group, whose non-legally binding guidelines set forth standards for the responsible export of nuclear commodities for peaceful use.

Norway has also pledged more than one million U.S. dollars to support the IAEA’s verification activities under the Joint Comprehensive Plan of Action (JCPOA), makes frequent contributions to the IAEA’s Nuclear Security Fund, and is an active participant in the Global Initiative to Combat Nuclear Terrorism. Norway contributed \$5 million to the IAEA’s

low-enriched uranium bank, a mechanism that will help prevent proliferation by reducing incentives for countries to pursue uranium enrichment.

Additionally, in December 2015, it provided support valued at approximately \$6 million for supply of 60,000 kilograms of natural uranium (uranium concentrate) and its transportation from Kazakhstan to Iran as part of a broader transaction related to export of Iran's enriched uranium in accordance with the JCPOA.

Norway is a party to the Biological Weapons Convention and the Chemical Weapons Convention. It is also a member of the Conference on Disarmament, the Missile Technology Control Regime, and the Wassenaar Arrangement, and a participant in the Australia Group.

## **Conclusion**

In sum, we believe the nonproliferation and economic benefits of this agreement demonstrate that strengthening our nuclear cooperation with Norway is in the best interests of the United States. Research conducted at the Halden reactor will benefit the United States and Norway and advance global nuclear safety, security, and nonproliferation objectives. Once it

enters into force, this Agreement will be a significant achievement for both our governments and provide a strong foundation for our shared peaceful nuclear cooperation and nonproliferation objectives for decades to come.

Mr. Chairman and Ranking Member, thank you.