

S.L.C.
Edward J Markey

Markey 1st Degree 8

AMENDMENT NO. _____ Calendar No. _____

Purpose: To counter China’s proliferation of ballistic missiles and nuclear technology to the Middle East.

IN THE SENATE OF THE UNITED STATES—117th Cong., 1st Sess.

S. _____

To address issues involving the People’s Republic of China.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. MARKEY

Viz:

1 At the end of title V, add the following:

2 **SEC. 504. COUNTERING CHINA’S PROLIFERATION OF BAL-**
3 **LISTIC MISSILES AND NUCLEAR TECH-**
4 **NOLOGY TO THE MIDDLE-EAST.**

5 (a) FINDINGS.—Congress makes the following find-
6 ings:

7 (1) The People’s Republic of China became a
8 full-participant of the Nuclear Suppliers Group in
9 2004, committing it to apply a strong presumption
10 of denial in exporting nuclear-related items that a
11 foreign country could divert to a nuclear weapons
12 program.

1 (2) China also committed to the United States,
2 in November 2000, to abide by the foundational
3 principles of the 1987 Missile Technology Control
4 Regime (MTCR) to not “assist, in any way, any
5 country in the development of ballistic missiles that
6 can be used to deliver nuclear weapons (i.e., missiles
7 capable of delivering a payload of at least 500 kilo-
8 grams to a distance of at least 300 kilometers)”.

9 (3) The 2020 Department of State Report on
10 the Adherence to and Compliance with Arms Con-
11 trol, Nonproliferation, and Disarmament Agree-
12 ments and Commitments found that China “contin-
13 ued to supply MTCR-controlled goods to missile pro-
14 grams of proliferation concern in 2019” and that
15 the United States imposed sanctions on nine Chinese
16 entities for covered missile transfers to Iran.

17 (4) A June 5, 2019, press report indicated that
18 China allegedly provided assistance to Saudi Arabia
19 in the development of a ballistic missile facility,
20 which if confirmed, would violate the purpose of the
21 MTCR and run contrary to the longstanding United
22 States policy priority to prevent weapons of mass de-
23 struction proliferation in the Middle East.

24 (5) The Arms Export and Control Act of 1976
25 (Public Law 93–329) requires the President to sanc-

1 tion any foreign person or government who know-
2 ingly “exports, transfers, or otherwise engages in the
3 trade of any MTCR equipment or technology” to a
4 country that does not adhere to the MTCR.

5 (6) China concluded two nuclear cooperation
6 agreements with Saudi Arabia in 2012 and 2017, re-
7 spectively, which may facilitate China’s bid to build
8 two reactors in Saudi Arabia to generate 2.9
9 Gigawatt-electric (GWe) of electricity.

10 (7) On August 4, 2020, a press report revealed
11 the alleged existence of a previously undisclosed ura-
12 nium yellowcake extraction facility in Saudi Arabia
13 allegedly constructed with the assistance of China,
14 which if confirmed, would indicate significant
15 progress by Saudi Arabia in developing the early
16 stages of the nuclear fuel cycle that precede uranium
17 enrichment.

18 (8) Saudi Arabia’s outdated Small Quantities
19 Protocol and its lack of an in force Additional Pro-
20 tocol to its International Atomic Energy Agency
21 (IAEA) Comprehensive Safeguards Agreement se-
22 verely curtails IAEA inspections, which has led the
23 Agency to call upon Saudi Arabia to either rescind
24 or update its Small Quantities Protocol.

1 (b) MTCR TRANSFERS.—Not later than 30 days
2 after the date of the enactment of this Act, the President
3 shall submit to the appropriate committees of Congress
4 a written determination, and any documentation to sup-
5 port that determination detailing—

6 (1) whether any foreign person in China know-
7 ingly exported, transferred, or engaged in trade of
8 any item designated under Category I of the MTCR
9 Annex to any foreign person in the previous three
10 fiscal years; and

11 (2) the sanctions the President has imposed or
12 intends to impose pursuant to section 11B(b) of the
13 Export Administration Act of 1979 (50 U.S.C.
14 4612(b)) against any foreign person who knowingly
15 engaged in the export, transfer, or trade of that item
16 or items.

17 (c) CHINA'S NUCLEAR FUEL CYCLE COOPERA-
18 TION.—Not later than 30 days after the date of the enact-
19 ment of this Act, the President shall submit to the appro-
20 priate committees of Congress a report detailing—

21 (1) whether any foreign person in China en-
22 gaged in cooperation with any other foreign person
23 in the previous three fiscal years in the construction
24 of any nuclear-related fuel cycle facility or activity
25 that has not been notified to the IAEA and would

1 be subject to complementary access if an Additional
2 Protocol was in force; and

3 (2) the policy options required to prevent and
4 respond to any future effort by China to export to
5 any foreign person an item classified as “plants for
6 the separation of isotopes of uranium” or “plants
7 for the reprocessing of irradiated nuclear reactor
8 fuel elements” under Part 110 of the Nuclear Regu-
9 latory Commission export licensing authority.

10 (d) FORM OF REPORT.—The determination required
11 under subsection (b) and the report required under sub-
12 section (c) shall be unclassified with a classified annex.

13 (e) DEFINITIONS.—In this section:

14 (1) The term “appropriate committees of Con-
15 gress” means—

16 (A) the Select Committee on Intelligence of
17 the Senate;

18 (B) the Committee on Foreign Relations of
19 the Senate;

20 (C) the Select Committee on Intelligence of
21 the House of Representative; and

22 (D) the Committee on Foreign Affairs of
23 the House of Representatives.

24 (2) FOREIGN PERSON; PERSON.—The terms
25 “foreign person” and “person” mean—

1 (A) a natural person that is an alien;

2 (B) a corporation, business association,
3 partnership, society, trust, or any other non-
4 governmental entity, organization, or group,
5 that is organized under the laws of a foreign
6 country or has its principal place of business in
7 a foreign country;

8 (C) any foreign governmental entity oper-
9 ating as a business enterprise; and

10 (D) any successor, subunit, or subsidiary
11 of any entity described in subparagraph (B) or
12 (C).