

TEXT OF AN AMENDMENT TO THE AGREEMENT BE-
TWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF
THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND FOR COOPERATION

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

TEXT OF AN AMENDMENT TO THE AGREEMENT BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE
GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND FOR COOPERATION ON THE USES OF
ATOMIC ENERGY FOR MUTUAL DEFENSE PURPOSES



JULY 25, 2014.—Message and accompanying referred to the Committee
on Foreign Affairs and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to section 123 d. of the Atomic Energy Act of 1954, as amended, the text of an amendment (the “Amendment”) to the Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes of July 3, 1958, as amended (the “1958 Agreement”). I am also pleased to transmit my written approval, authorization, and determination concerning the Amendment. The joint unclassified letter submitted to me by the Secretaries of Defense and Energy providing a summary position on the unclassified portions of the Amendment is also enclosed. The joint classified letter and classified portions of the Amendment are being transmitted separately via appropriate channels.

The Amendment extends for 10 years (until December 31, 2024), provisions of the 1958 Agreement that permit the transfer between the United States and the United Kingdom of classified information concerning atomic weapons; nuclear technology and controlled nuclear information; material and equipment for the development of defense plans; training of personnel; evaluation of potential enemy capability; development of delivery systems; and the research, development, and design of military reactors. Additional revisions to portions of the Amendment and Annexes have been made to ensure consistency with current United States and United Kingdom policies and practice regarding nuclear threat reduction, naval nuclear propulsion, and personnel security.

In my judgment, the Amendment meets all statutory requirements. The United Kingdom intends to continue to maintain viable nuclear forces into the foreseeable future. Based on our previous close cooperation, and the fact that the United Kingdom continues to commit its nuclear forces to the North Atlantic Treaty Organization, I have concluded it is in the United States national interest to continue to assist the United Kingdom in maintaining a credible nuclear deterrent.

I have approved the Amendment, authorized its execution, and urge that the Congress give it favorable consideration.

BARACK OBAMA.

THE WHITE HOUSE, *July 24, 2014.*

**AMENDMENT TO THE AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE UNITED KINGDOM OF
GREAT BRITAIN AND NORTHERN IRELAND
FOR COOPERATION ON THE USES OF ATOMIC ENERGY
FOR MUTUAL DEFENSE PURPOSES**

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland;

Desiring to amend in certain respects the Agreement between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defence Purposes, signed at Washington on July 3, 1958, as amended (herein referred to as the "Agreement");

Have agreed as follows:

ARTICLE 1

The Preamble of the Agreement shall be amended by inserting the following paragraph after "Considering that both countries have made substantial progress in the development of atomic weapons;":

"Reaffirming that the spread of atomic weapons technology, potentially including State and sub-State actors, imperils the defense and security of both nations;"

ARTICLE 2

Article III of the Agreement shall be amended by:

- a) Replacing paragraph A in its entirety with the following:

"The Government of the United States may authorize, subject to terms and conditions acceptable to the Government of the United States, persons (1) to transfer by sale to the Government of the United Kingdom or persons designated by the Government of the United Kingdom submarine nuclear propulsion plants and parts thereof, including spare parts, replacement cores, and fuel elements, as may be agreed by the Parties, and (2) to communicate to the Government of the United Kingdom or persons designated by the Government of the United Kingdom (or to both) information as is necessary for the design, manufacture, and operation of submarine nuclear propulsion plants;"

- b) Substituting in the first sentence of paragraph B, "any submarine nuclear propulsion plant transferred pursuant to paragraph A of this Article, on such terms and conditions as may be agreed" in place of "the submarine nuclear propulsion plant transferred

pursuant to paragraph A of this Article, during the ten years following the date of entry into force of this Agreement on such terms and conditions as may be agreed";

- c) Deleting "during such period" from the second sentence of paragraph B;
- d) Substituting in the first sentence of paragraph C, "a price based on the fair market price of comparable enriched uranium sold in the U.S. domestic market at the time of the sale" in place of "the United States Atomic Energy Commission's published charges applicable to the domestic distribution of such material in effect at the time of the sale";
- e) Substituting in the second sentence of paragraph C, "a price based on the fair market price of comparable enriched uranium sold in the U.S. domestic market at the time of the purchase" in place of "the applicable price of the United States Atomic Energy Commission for the purchase of enriched uranium in effect at the time of purchase of such enriched uranium";
- f) Substituting in paragraph D, "The Parties may exchange classified information on methods of reprocessing fuel elements of the type utilized in any propulsion plant transferred" in place of "The Parties will exchange classified information on methods of reprocessing fuel elements of the type utilized in the propulsion plant to be transferred";
- g) Substituting in paragraph E, "after any propulsion plant or parts thereof, including spare parts, replacement cores or fuel elements, transferred under this Article are taken outside of the United States" in place of "after the propulsion plant or parts thereof, including spare parts, replacement cores or fuel elements are taken outside the United States".

ARTICLE 3

Article III *bis* of the Agreement shall be amended by substituting "2024" for "2014" throughout the Article.

ARTICLE 4

Article V of the Agreement shall be amended by substituting in paragraph C, "pursuant to this Agreement for other than the preparation or implementation of defense plans, including the evaluation of potential enemy capabilities, in the mutual interests of the two countries" in place of "pursuant to this Agreement for other than the preparation or implementation of defense plans in the mutual interests of the two countries".

ARTICLE 5

Article IX of the Agreement shall be amended by:

- a) Substituting in the chapeau of paragraph A, "derived from any submarine propulsion plant" in place of "derived from the submarine propulsion plant";
- b) Substituting in paragraph B.1, "any submarine propulsion plant, spare parts or equipment" in place of "the submarine propulsion plant, spare parts or equipment";
- c) Substituting in paragraph B.2, "that any submarine propulsion plant or any material or equipment transferred" in place of "that the submarine propulsion plant or any material or equipment transferred";
- d) Substituting in paragraph D. 1, "any submarine propulsion plant, material or equipment transferred" in place of "the submarine propulsion plant, material or equipment transferred".

ARTICLE 6

Article XI of the Agreement shall be amended by substituting in paragraph B, "with the security designation of United Kingdom 'Restricted' or equivalent or United States Confidential or higher" in place of "with the security designation of United Kingdom 'Restricted' or United States Confidential or higher".

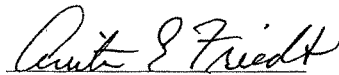
ARTICLE 7

This Amendment shall enter into force on the date of the last written notification between the Governments, through diplomatic channels, of the completion of all statutory and constitutional requirements for the entry into force of this Amendment.

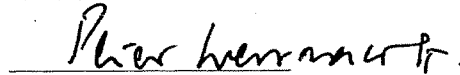
IN WITNESS WHEREOF, the undersigned, duly authorized by their respective Governments, have signed this Amendment.

Done at Washington, in duplicate, this 22 day of July, 2014.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND:



THE WHITE HOUSE

WASHINGTON

July 18, 2014

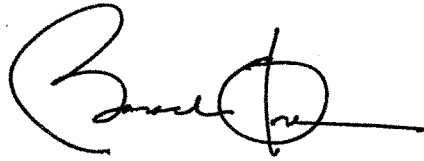
MEMORANDUM FOR THE SECRETARY OF DEFENSE
THE SECRETARY OF ENERGY

SUBJECT: Proposed Amendment to the 1958 Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes

I have reviewed and concur with the positions taken in your joint letter to me of July 9, 2014, recommending approval of a proposed Amendment to the Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes of July 3, 1958, as amended (the "1958 Agreement"). I note from your joint recommendation and concur with your assessment that the United Kingdom, by participating with the United States pursuant to an international agreement, is making substantial and material contributions to the mutual defense and security. The proposed Amendment to the 1958 Agreement will permit cooperation that will further improve our mutual defense posture and support our interests under NATO. I hereby:

- approve the proposed Amendment to the 1958 Agreement;
- determine that performance under the proposed Amendment will promote and will not constitute an unreasonable risk to the common defense and security;
- approve the program outlined in this Amendment and determine that such program will promote and will not constitute an unreasonable risk to the common defense and security; and

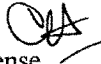
- authorize the execution of the proposed Amendment for the Government of the United States in a manner specified by the Secretary of State.

A handwritten signature in black ink, appearing to be "G. Smith", written in a cursive style.

MEMORANDUM FOR THE PRESIDENT

FROM: Ernest J. Moniz
Secretary of Energy

Chuck Hagel
Secretary of Defense



SUBJECT: Proposed Amendment to the Agreement between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation of the Uses of Atomic Energy for Mutual Defense Purposes

Hereby submitted for your consideration and approval is a proposed Amendment to the 1958 Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes, as amended (the 1958 Agreement).

The proposed Amendment will extend for ten years, under the authority of the Atomic Energy Act of 1954, as amended, those provisions of the 1958 Agreement that provide for the transfer of classified information concerning atomic weapons; nuclear technology; and controlled nuclear information, materials, and equipment between the United States and the United Kingdom for the development of defense plans, training of personnel, evaluation of potential enemy capabilities, development of delivery systems and research, and the development and design of military reactors. Article III *bis* of the 1958 Agreement and sections IV and V of the Technical Annex to the 1958 Agreement, which provide for exchange of materials and equipment, terminate on December 31, 2014. An amendment is required to extend those provisions. Further information on the materials and equipment to be transferred, or authorized for transfer, by the United States during the effective period of this proposed Amendment (i.e., from January 1, 2015, through December 31, 2024) are addressed in a supplementary classified memorandum. Under the 1958 Agreement, the terms and conditions of the transfers of these materials and equipment must be further agreed by the Parties.

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Other parts of the 1958 Agreement – unclassified portions of the Agreement along with its Technical Annex, Supplementary Technical Annex and the Security Annex – have been amended to make them consistent with current United States and United Kingdom policies and practice. The proposed Amendment inserts clarifying language to reflect increasing collaboration in the field of nuclear threat reduction, updates portions of the 1958 Agreement addressing the transfer of submarine nuclear propulsion plants and associated parts, and updates the Annexes of the 1958 Agreement to reflect the current transfer practices, classification policies, and security policies of the U.S. and United Kingdom governments, while also allowing for changes to such practices and policies over time.

As is required by the Atomic Energy Act of 1954, as amended, we have determined that the United Kingdom, by participating with the United States pursuant to an international arrangement, is making substantial and material contributions to the mutual defense and security. The United Kingdom's nuclear forces have been and continue to be committed to the North Atlantic Treaty Organization.

Recommendation:

That you:

- a. approve the proposed Amendment to the 1958 Agreement;
- b. determine that performance of the proposed Amendment will promote and will not constitute an unreasonable risk to the common defense and security;
- c. approve the program outlined in this Amendment and determine that such program will promote and will not constitute an unreasonable risk to the common defense and security; and
- d. authorize the execution of the proposed Amendment for the Government of the United States of American in a manner specified by the Secretary of State.

The Department of State concurs in these recommendations.

Attachments:

UNCLASSIFIED

1. Draft transmittal letter to the Congress
2. Draft Presidential determination
3. Text of the Proposed Amendment to the Agreement between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation of the Uses of Atomic Energy for Mutual Defense Purposes (the 1958 Agreement)



UNCLASSIFIED