

# NATIONAL FOREIGN TRADE COUNCIL, INC.

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July 8, 2009

The Honorable Howard L. Berman  
U.S. House of Representatives  
2221 Rayburn House Office Building  
Washington, DC 20515-0528

Dear Congressman Berman:

On behalf of the National Foreign Trade Council, an association of some 300 U.S. corporations engaged in international trade and investment, I urge you to support the "123 Agreement" authorizing civilian nuclear cooperation between the United States and the United Arab Emirates. This agreement, which President Obama submitted to the Congress on May 20, establishes a framework for civilian nuclear cooperation between the United States and the U.A.E subject to explicit safeguards. It is a model for future agreements and a significant precedent in advancing nuclear nonproliferation objectives. The United States currently has 123 agreements in force with some 20 nations, including China, Egypt, Indonesia, Japan, Morocco, the Republic of Korea and Brazil.

The Agreement serves the nonproliferation interests of the United States by setting a uniquely high standard for safety, operational transparency and global nonproliferation benchmarks. The Agreement commits the U.A.E. to forego uranium enrichment and spent-fuel plutonium reprocessing and to allow these services to be managed on an international basis in strict conformity to International Atomic Energy Agency safeguards. The U.S.-U.A.E. Agreement is the first such agreement to include these measures. In making these commitments the U.A.E. has entered into an international legal obligation to develop nuclear power solely for the generation of electricity based on international sources of fuel services, eliminating the possibility of diversion. If this decision is ever changed, the U.A.E. would be in violation of international law and the United States can withdraw from the Agreement.

The 123 Agreement with the U.A.E will create significant export opportunities for the United States nuclear industry, including vital nuclear safety technologies. The U.A.E plans to spend \$40 billion on projects which will generate contracts that can create an estimated 10,000 high quality, skilled craft and engineering jobs in the U.S., even though the plants will be located in the U.A.E. Key U.S. companies have already won business and are involved in the U.A.E's nuclear energy policy formulation and technology evaluation process. The 123 Agreement is the prerequisite for the U.A.E. to consider American technology and know-how for their nuclear program.

The United States and the U.A.E. are close allies and share many economic and security interests. The U.A.E. has troops supporting U.S. efforts in Afghanistan and is one of the most prominent moderate voices in the Middle East. Were the U.S. not to go forward with this Agreement, not only would the commercial opportunities be taken up by foreign companies, but it would also be a major blow to U.S. nonproliferation policy. The Bush and Obama Administrations have recognized this. We urge the Congress to support it as well.

Sincerely,

William A. Reinsch  
President

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