

**American Chamber of Commerce in Russia
American Petroleum Institute
Business Roundtable
Coalition for Employment through Exports
Emergency Committee for American Trade
National Association of Manufacturers
National Electrical Manufacturers Association
National Foreign Trade Council
Nuclear Energy Institute
U.S. Chamber of Commerce
U.S. Council for International Business
U.S.-Russia Business Council
USA*Engage**

July 8, 2008

The Honorable Nancy Pelosi
U.S. House of Representatives
235 Cannon House Office Building
Washington, DC 20515-0508

Dear Speaker Pelosi:

We write to urge you to support the “123 Agreement” authorizing civilian nuclear cooperation between the United States and Russia which President Bush submitted to the Congress on May 14. This agreement establishes a framework for future civilian nuclear cooperation between the United States and Russia subject to explicit safeguards. The United States currently has such agreements in force with 18 nations, including China, Japan, the Republic of Korea, Canada and Brazil. It is strongly in the interest of the United States that the Agreement come into force.

The United States and Russia have publicly agreed that preventing nuclear proliferation and nuclear terrorism is of paramount interest to both nations. Specifically, preventing Iran from acquiring nuclear weapons cannot be achieved without the active cooperation of Russia. The United States government is confident that implementing the Agreement will contribute to Russian cooperation on multilateral efforts to counteract Iranian nuclear weapons development. In this respect, with implementation giving Moscow a tangible vested interest in continued cooperation with Washington, approval of the Agreement will greatly enhance the United States’ ability to play a constructive role in shaping Russia’s future nuclear policy.

Failure by Congress to approve the Agreement, on the other hand, would have the opposite effect and would weaken the ability to work with our Russian counterparts. Moreover, the Agreement also contains other significant, tangible benefits and safeguards. Specifically:

- If Russia does not cooperate on Iran, the United States can withhold further nuclear cooperation.
- Transactions under the Agreement require case-by-case approval by the U.S. government.
- The Agreement will strengthen nonproliferation efforts by committing both nations to cooperate in nuclear safety, handling nuclear waste and the implementation of required safeguards to prevent re-export of nuclear materials and technology.
- The Agreement guarantees adequate physical protection of nuclear facilities.
- The Agreement can facilitate United States-Russian cooperation in developing proliferation-resistant nuclear energy technologies and in developing a new international civil nuclear energy regime that will allow other nations to develop nuclear power for their energy needs without increasing the danger of weapons proliferation.
- The Agreement will give Russia an incentive to develop an international spent fuel storage facility which serves nonproliferation objectives.
- The Agreement would create export opportunities for the United States nuclear industry, including vital nuclear safety technologies. The United States currently imports from Russia half of the enrichment services, under the United States Russian High-Enriched Uranium Agreement, used in our nuclear power plants, while the United States is unable to export nuclear material to Russia.
- Some countries will not contract for United States sales of nuclear fuel, services or technology without transfer rights to Russia. The Agreement opens that access.
- In February of this year, the United States and Russia agreed to provide the U.S. nuclear industry access to Russian uranium and to conversion and enrichment services. Without this Agreement this access will not be practical.

Approval and implementation of the 123 Agreement will contribute to better U.S.-Russian relations and cooperation on nuclear policy. Failure to approve the agreement will certainly have the opposite effect, giving Russia an incentive to continue expanding its network of nuclear agreements with third countries. It is clearly in the interest of the United States to approve the Agreement, and we urge you to oppose efforts to block it.

Sincerely,

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