



New U.S.-India Nuclear Agreement Delayed: Indefinitely? By George Bunn* April 18, 2007

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There have been serious disagreements between India and the United States in negotiation of the proposed nuclear-cooperation agreement between the two countries described at this website on Dec. 20, 2006 and Jan. 17, 2007. Our December article reported the President George W. Bush administration's hope of submitting a final agreement with India to the international Nuclear Suppliers' Group for approval at the Group's April meeting this year, 2007. That hope was not achieved. Indeed, India's objections to provisions of the U.S.-drafted agreement designed to meet Congressional requirements have raised questions as to whether a U.S. nuclear agreement with India that meets Congressional requirements is likely. Given the new Democratic majority in the House and Senate, achieving acceptance by Congress in 2007 or 2008 of an agreement with India that satisfies the statute adopted in 2006 by a Republican-controlled Congress seems unlikely.

Four months after President Bush signed the statute authorizing formal negotiations into law on Dec. 17, 2006, no agreement with India has yet been achieved. As a result, the Bush Administration gave up plans to submit such an agreement to the Nuclear Suppliers Group for consideration at that Group's annual meeting in April, 2007. Also put off was an application to the International Atomic Energy Agency (IAEA) for IAEA safeguards on the reactors and nuclear material to be supplied by the United States pursuant to the agreement to implement the U.S. statute of last December. What has caused these delays?

Some of the major requirements of the law described in our December story have not been accepted by India according to news reports from India.^{[1](#)} Discussions to achieve an agreement between American and Indian officials have been going on for several years. The U.S. law authorizing a nuclear cooperation agreement with India raised new problems for the negotiators. For example, even before the high-level negotiations in New Delhi, the Indians refused to give the United States authority to cancel the agreement with India if India conducts a nuclear weapon test. They also refused to give U.S. control over whatever use India makes of uranium supplied by the

United States for fueling the nuclear reactors from the United States.[2](#)

Reportedly, there are major disagreements between the Indian negotiators and the American negotiators on the scope of the U.S.-Indian agreement which will set the terms for providing nuclear fuel to India by the United States. There are also disagreements over the draft IAEA-Indian agreement which will describe the scope of IAEA inspections of the nuclear reactors and nuclear fuel that are to be supplied by the United States.[3](#) Based upon the statute enacted by Congress (described in the December 20, 2006, analysis on this website), the agreement must provide that these reactors will not be used to make plutonium for Indian nuclear weapons, that they will instead be used for peaceful purposes such as providing heat to make steam for generating electric power in Indian power plants. (See the earlier U.S.-India nuclear cooperation reports on this website.)

The U.S. has provided India with several drafts of a proposed IAEA-India agreement (as well as a proposed U.S.-India agreement). These describe, for example, what would be required of India for reports to the IAEA and for inspection of Indian nuclear facilities by the IAEA. They would also describe other requirements that Congress established in the new legislation described in a December 20, 2006 entry on this website.

There have been various disagreements so far in the negotiations. For example, there is a strong Indian objection to a provision required by Congress that the U.S.-India agreement end automatically if India tests a nuclear weapon. Moreover, India has reportedly demanded permission to reprocess the spent fuel from the reactors provided by the agreement. Reprocessing could separate the plutonium in the spent fuel (already burned in the reactors) from the radioactive waste that accumulated during the burning of the fuel. What would the plutonium then be used for? Weapons or peaceful reactors? The statute enacted by Congress made clear that none of the nuclear materials to be provided by the United States to India to burn in the nuclear reactors that came from the United States could be used to make nuclear weapons.

India has demanded access to nuclear reprocessing technologies used by the United States to separate out the plutonium made during the burning of uranium in nuclear reactors to generate electric power. With this technology, the plutonium from the spent fuel removed from the reactors after they have operated could be separated from the fuel rods and then used either for weapons or for new fuel rods to burn in reactors. According to the press reports summarized here, these Indian demands have been resisted by the U.S. negotiators because they are inconsistent with what Congress authorized the negotiators to agree to.[4](#)

As a result of these and other problems, there is no final agreement to submit to the Nuclear Suppliers' Group (NSG) for its approval when it

meets this month. NSG approval is also required by Congress. Usually the NSG meets only once a year. Will the delay in this required step of approval put off submission of the final agreement to Congress until Spring of 2008, a presidential election year? What about negotiation of an IAEA safeguards inspection agreement for the reactors and nuclear fuel supplied by the United States? That has also been put off to await the U.S.-India agreement now under negotiation.

Judging by the more than a year it took a Republican-controlled Congress to agree to the legislation of December 2006 authorizing the formal negotiation of a U.S.-Indian nuclear agreement, it may take a long time for a Democratic-controlled Congress to approve the final agreement, if it chooses to do so. Will agreement between India and the United States and final approval by Congress take place before the U.S. presidential election of November 2008, an election which will also, of course, elect and re-elect members of Congress? It seems unlikely.

1 See, e.g., P. Parameswaran, "U.S.-India Nuclear Deal Not Moving Rapidly as Expected," (March 8, 2007), http://news.yahoo.com/afp/20070309pl_afp/usindianuclearpolitics_070309041958.

2 John Barry, "Nukes—New Delhi: No Deal," *Newsweek* (April 2, 2007), p.11.

3 P. Parameswaran, n. 1 above; Ki News, Business, U.S. India Nuclear Deal, http://servihoo.com/channels/Ki_news_details.php?id=155470CategoryID=47

4 See "U.S.-India Nuclear Cooperation" Agence France-Presse, March 27, 2007; John Barry, "Nukes--New Delhi: No Deal," above; "Progress, but More Time Needed for India Nuclear Deal: U.S." *Economic Times*, March 29, 2007.