



International Atomic Energy Agency

INFORMATION CIRCULAR

INFCIRC/206
12 June 1974

GENERAL Distr.

Original: ENGLISH and
FRENCH

THE TEXTS OF THE INSTRUMENTS CONCERNING THE AGENCY'S ASSISTANCE
TO ROMANIA FOR THE ESTABLISHMENT OF A RESEARCH REACTOR PROJECT

The texts [1] of the Supply Agreement between the Agency and the Governments of Romania and the United States of America, and of the Project Agreement between the Agency and the Government of Romania concerning the Agency's assistance to that Government for the establishment of a research reactor project, are reproduced herein for the information of all Members. Both Agreements entered into force on 30 March 1973.

[1] The footnotes to the texts have been added in the present information circular.

I. SUPPLY AGREEMENT

CONTRACT FOR THE TRANSFER OF ENRICHED URANIUM
FOR A RESEARCH REACTOR IN ROMANIA

WHEREAS the Government of the Socialist Republic of Romania (hereinafter called "Romania"), desiring to set up a project consisting of a dual-core TRIGA training and research reactor for peaceful purposes (hereinafter called the "reactor"), has requested the assistance of the International Atomic Energy Agency (hereinafter called the "Agency") in securing, among other things, the special fissionable material necessary for this purpose;

WHEREAS the Board of Governors of the Agency approved the project on 20 February 1973, and the Agency and Romania are this day concluding an agreement for the provision by the Agency of the assistance requested by Romania (hereinafter called the "Project Agreement") [2];

WHEREAS the Agency and the Government of the United States of America (hereinafter called the "United States") on 11 May 1959 concluded an Agreement for Co-operation (hereinafter called the "Co-operation Agreement"), [3] under which the United States undertook to make available to the Agency pursuant to its Statute certain quantities of special fissionable material; and

WHEREAS Romania has made arrangements with a manufacturer in the United States of America (hereinafter called the "Manufacturer") for the fabrication of enriched uranium into fuel elements for the reactor;

NOW, THEREFORE, the Agency, Romania and the United States Atomic Energy Commission (hereinafter called the "Commission"), acting on behalf of the United States, hereby agree as follows:

ARTICLE I

Transfer of Enriched Uranium

Section 1. Subject to the provisions of the Co-operation Agreement, the Commission shall transfer to the Agency, and the Agency shall accept from the Commission, approximately 46 470 grams of uranium enriched to approximately 20 per cent and approximately 34 350 grams of uranium enriched to approximately 93 per cent in the isotope uranium-235 (hereinafter called the "fuel material"), the precise quantities and enrichments to be determined pursuant to Section 3(b), contained in fuel elements for use in the reactor.

Section 2. The Agency shall transfer to Romania, and Romania shall accept from the Agency, the fuel material received by the Agency pursuant to Section 1.

Section 3. The conditions of the transfers of the fuel material specified in Sections 1 and 2 shall be as follows:

- (a) The Commission shall make available to the Manufacturer or to a properly licensed supplier of the Manufacturer, at a facility of the Commission designated by it, enriched uranium, in the form of uranium hexafluoride, for the fuel material, subject to such terms, charges and licences as the Commission may require unless the enriched uranium is to be drawn from the Manufacturer's inventory;

[2] Part II of this document.

[3] Reproduced in document INFCIRC/5, part III.

- (b) The precise quantity and enrichment of the fuel material in the fuel elements shall be determined by the Manufacturer, and Romania shall cause the Manufacturer to submit to the Agency and to the Commission a written certification of the Manufacturer's determination of the enrichment by weight in the isotope uranium-235 and of the quantity of enriched uranium contained in the fabricated fuel elements. This determination may be verified by the Agency, by Romania and by the Commission by means of any review or analysis that any of them may deem appropriate, and shall be approved or revised by unanimous agreement of the parties. The quantity and enrichment shown in the agreed determination shall be accepted by the parties as conclusive for all purposes;
- (c) Upon completion of the fabrication and the preparation for shipment of the fuel material, and upon agreement with respect to the determination concerning such material as specified in Section 3(b), and upon compliance with paragraph 3 of the Annex to the Project Agreement, Romania, at the request and on behalf of the Agency, shall arrange for a transporter who, after thirty (30) days' written notice to the Commission and subject to such terms, charges and licences as the Commission may require, shall transport and deliver the material to the port of export in the United States of America designated by the Commission after consultation with the Agency and Romania. The Commission, at the request of the Agency, shall thereupon transfer possession to Romania, acting on behalf of the Agency, at such port of export and authorize the export of the material. On behalf of the Agency, Romania shall thereupon make arrangements, including the payment of all costs, for domestic and overseas transportation and delivery (including the cost of containers and packaging) and for storing as well as for physically handling the material in connection with such delivery and transfer; such arrangements and costs shall not be the responsibility of, nor be borne by, either the Commission or the Agency. On behalf of the Agency, Romania shall accept possession of the material at the designated port of export and shall forward appropriate receipts therefor to the Agency and to the Commission on behalf of the Agency, whereupon Romania shall assume full and complete responsibility for the fuel material contained in the fuel elements;
- (d) Title to the fuel material shall vest in the Agency at the time such material leaves the jurisdiction of the United States and shall thereafter immediately and automatically vest in Romania.

ARTICLE II

Payment

Section 4. The Agency shall send an invoice to Romania at or subsequent to the time Romania has accepted possession of the fuel material pursuant to Section 3(c). Within twenty (20) days from the date of this invoice, Romania shall pay to the Agency in the United States currency a sum equal to that which the Agency will be obligated to pay to the Commission pursuant to Section 5. On all amounts not received by the Agency within twenty (20) days from the date of invoice, Romania shall pay interest at the per annum rate (365-day basis) established from time to time by the Commission, such interest to commence on the twenty-first (21st) day from the date of invoice.

Section 5. The Commission shall send an invoice to the Agency at or subsequent to the time the Commission transfers possession pursuant to Section 3(c). Within thirty (30) days from the date of this invoice the Agency shall pay for the enriched uranium as per the schedule of charges for enriched uranium published in the United States Federal Register and in effect on the date of transfer of the material, provided, however, that in the event the charges in effect on the date of transfer of the fuel material should exceed

the charges set forth in the Annex to this Contract, which are the charges in effect on the date of the entry into force of this Contract pursuant to Section 12, the Agency, at the request of Romania, shall cancel this Contract without incurring obligations of any kind thereunder. Payment shall be made in United States currency to the Commission or its designated agent or contractor. On all amounts not received by the Commission within thirty (30) days from the date of invoice, the Agency shall pay interest at the per annum rate (365-day basis) established from time to time by the Commission, such interest to commence on the thirty-first (31st) day from the date of invoice, except that, whenever the due date for any payment under this Section falls on a Saturday, a Sunday or a legal holiday, interest shall commence on the day immediately following the next day which is not a Saturday, a Sunday or a legal holiday.

Section 6. In order to assist and encourage research on peaceful uses or for medical therapy, the Commission has in each calendar year offered to distribute to the Agency, free of charge, special fissionable material of a value of up to US \$50 000 at the time of transfer, to be supplied from the amounts specified in Article II. A of the Agreement for Co-operation. If the Commission finds the project to which this Contract relates eligible, it shall decide by the end of the calendar year in which this Contract is concluded on the extent, if any, to which the project shall benefit by the gift offer, and shall promptly notify the Agency and Romania of that decision. The payments provided in Sections 4 and 5 shall be reduced by the value of any material thus distributed.

ARTICLE III

Responsibility

Section 7. Neither the Agency nor any person acting on its behalf shall at any time bear any responsibility towards Romania or any person claiming through Romania for the safe handling and the use of the fuel material.

Section 8. After acceptance of possession pursuant to Section 3(c), the Agency shall assume full responsibility to the Commission for the fuel material, and Romania shall be equally responsible to the Agency; neither the United States, nor the Commission, nor any person acting on behalf of the Commission shall bear any responsibility for the safe handling and the use of such material.

ARTICLE IV

Officials not to Benefit

Section 9. No Member of the Congress of the United States of America or Resident Commissioner of the United States of America shall be admitted to or share any part of this Contract or any benefit that may arise therefrom.

ARTICLE V

Settlement of Disputes

Section 10. If the parties should be unable to reach agreement with respect to the determination provided for in Section 3(b) within thirty (30) days of the submission of such determination to them by the Manufacturer, any party may request that such a determination be made by a laboratory agreed upon by all the parties. The laboratory may perform any tests or analyses that it may deem necessary, and all parties agree to facilitate its work in every way. The results of the determination by the laboratory shall be considered final and binding on all parties. The costs of the determination by the laboratory shall be borne equally by the parties, provided that, if the determination insisted on by any party or parties is confirmed by the laboratory, such party or parties shall not be obliged to bear any share of the costs.

Section 11. Any other dispute arising out of the interpretation or application of this Contract, which is not settled by negotiation or as may otherwise be agreed by the parties concerned, shall on the request of any party be submitted to an arbitral tribunal composed as follows:

- (a) If the dispute involves only two of the parties to this Contract, all three parties agreeing that the third is not concerned, the two parties involved shall each designate one arbitrator, and the two arbitrators so designated shall elect a third, who shall be the Chairman. If within thirty (30) days of the request for arbitration either party has not designated an arbitrator, either party to the dispute may request the President of the International Court of Justice to appoint an arbitrator. The same procedure shall apply if, within thirty (30) days of the designation or appointment of the second arbitrator, the third arbitrator has not been elected;
- (b) If the dispute involves all three parties to this Contract, each party shall designate one arbitrator, and the three arbitrators so designated shall by unanimous decision elect a fourth arbitrator, who shall be the Chairman, and a fifth arbitrator. If within thirty (30) days of the request for arbitration any party has not designated an arbitrator, any party may request the President of the International Court of Justice to appoint the necessary number of arbitrators. The same procedure shall apply if, within thirty (30) days of the designation or appointment of the third of the first three arbitrators, the Chairman or the fifth arbitrator has not been elected.

A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall be made by majority vote. The arbitral procedure shall be established by the tribunal, whose decisions, including all rulings concerning its constitution, procedure, jurisdiction and the division of the expenses of arbitration between the parties, shall be binding on all parties. The remuneration of the arbitrators shall be determined on the same basis as that of ad hoc judges of the International Court of Justice.

ARTICLE VI

Entry into Force

Section 12. This Contract shall enter into force upon signature by or for the Director General of the Agency and by the authorized representatives of the Commission and Romania.

DONE in Vienna on the thirtieth day of March 1973, in triplicate in the English and French languages, both texts being equally authentic.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Yuri Chernilin

For the GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA:

(signed) Dumitru Aninoiu

For the UNITED STATES ATOMIC ENERGY COMMISSION
on behalf of the GOVERNMENT OF THE UNITED STATES OF AMERICA:

(signed) Dwight J. Porter

II. PROJECT AGREEMENT

AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY
AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA
FOR ASSISTANCE BY THE AGENCY TO ROMANIA IN ESTABLISHING
A RESEARCH REACTOR PROJECT

WHEREAS the Government of the Socialist Republic of Romania (hereinafter called "Romania"), desiring to establish a project for research on, and development and practical application of, atomic energy for peaceful purposes, has requested the assistance of the International Atomic Energy Agency (hereinafter called the "Agency") in securing a training and research reactor which Romania desires to purchase from a manufacturer in the United States of America (hereinafter called the "Manufacturer"), and in securing the special fissionable material necessary for that reactor;

WHEREAS the Board of Governors of the Agency approved the project on 20 February 1973;

WHEREAS the Agency and the Government of the United States of America (hereinafter called the "United States") on 11 May 1959 concluded an Agreement for Co-operation (hereinafter called the "Co-operation Agreement") [3], under which the United States undertook to make available to the Agency pursuant to its Statute certain quantities of special fissionable material, and also undertook, subject to various applicable provisions and licence requirements, to permit, upon request of the Agency, persons under the jurisdiction of the United States to make arrangements to transfer and export materials, equipment or facilities for a Member of the Agency in connection with an Agency project; and

WHEREAS the Agency, Romania and the United States Atomic Energy Commission acting on behalf of the United States are this day concluding a contract for the transfer of enriched uranium for the research reactor (hereinafter called the "Supply Agreement") [4];

NOW, THEREFORE, the Agency and Romania hereby agree as follows:

ARTICLE I

Definition of the Project

Section 1. The project to which this Agreement relates is the establishment of a dual-core TRIGA training and research reactor (hereinafter called the "reactor") and its associated facilities, to be operated by the Romanian Institute for Nuclear Technology near Pitesti.

ARTICLE II

Supply of Reactor and Special Fissionable Material

Section 2. The Agency, pursuant to Article IV of the Co-operation Agreement, shall request the United States to permit the transfer and export to Romania of the reactor, together with components and spare parts, manufactured in accordance with a contract between Romania and the Manufacturer.

Section 3. The Agency hereby allocates to the project defined in Article I, and provides to Romania enriched uranium (hereinafter called the "supplied material") pursuant

[4] Part I of this document.

to the terms of the Supply Agreement, which constitutes an integral part of this Agreement to the extent that it creates rights and obligations between the Agency and Romania.

Section 4. It is understood by the Agency and Romania that this Agreement shall apply to any additional supplies of enriched uranium, through the assistance of the Agency, for the project defined in Article I.

ARTICLE III

Shipment of the Supplied Material

Section 5. Any part of the supplied material, the shipment of which is arranged by Romania while the material is in its possession, shall be entrusted to a licensed public carrier selected by Romania or shall be accompanied by a responsible person designated by Romania.

ARTICLE IV

Agency Safeguards

Section 6. Romania undertakes that the reactor and any nuclear material contained, used, produced or processed in or by the use of the reactor shall not be used in such a way as to further any military purpose.

Section 7. It is specified that the safeguards rights and responsibilities of the Agency provided for in paragraph A of Article XII of its Statute are relevant to the project, and that their implementation is satisfied by the application of safeguards procedures pursuant to the Agreement between the Socialist Republic of Romania and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons, signed on 8 March 1972 and which entered into force on 27 October 1972. [5] However, if the said Agreement is terminated, the safeguards rights and responsibilities of the Agency provided for in paragraph A of Article XII of its Statute shall be implemented in accordance with arrangements which will supplement this Agreement, which shall be agreed forthwith by the Agency and Romania and shall be based on the then effective Agency's safeguards system applicable to Agency projects including provisions with respect to Agency inspectors; pending agreement on such arrangements, the Agency will apply safeguards in accordance with the procedures provided for in that system.

ARTICLE V

Health and Safety Measures

Section 8. The health and safety measures specified in the Annex to this Agreement shall be applied to the project.

ARTICLE VI

Agency Inspectors

Section 9. The relevant provisions of the Agreement between the Socialist Republic of Romania and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons shall apply to Agency inspectors performing functions pursuant to this Agreement.

[5] Reproduced in document INFCIRC/180.

ARTICLE VII

Information and Rights to Inventions and Discoveries

Section 10. In conformity with paragraph B of Article VIII of the Statute of the Agency, Romania shall make available to the Agency without charge all scientific information developed as a result of the assistance extended by the Agency.

Section 11. In view of its degree of participation, the Agency claims no rights in any inventions or discoveries arising from the execution of the project. The Agency may, however, be granted licences under any patents upon terms to be agreed.

ARTICLE VIII

Languages

Section 12. Reports and other information should be submitted to the Agency in one of the working languages of the Board of Governors of the Agency.

ARTICLE IX

Settlement of Disputes

Section 13. Any dispute concerning the interpretation or application of this Agreement, which is not settled by negotiation or as may otherwise be agreed, shall be settled in the same manner as that described in Article 22 of the Agreement between the Socialist Republic of Romania and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons.

Section 14. Decisions of the Board of Governors of the Agency concerning the implementation of Article IV, V or VI shall, if they so provide, be given effect immediately by the Agency and Romania pending the final settlement of any dispute.

ARTICLE X

Entry into Force

Section 15. This Agreement shall enter into force upon signature by or for the Director General and by the authorized representative of Romania.

DONE in Vienna, on the thirtieth day of March 1973, in duplicate in the French language.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Yuri Chernilin

For the GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA:

(signed) Dumitru Aninoiu

ANNEX

HEALTH AND SAFETY MEASURES

1. The health and safety measures applicable to the project shall be those set forth in Agency document INFCIRC/18 (hereinafter called the "Health and Safety Document"), as specified below.
2. Romania shall apply the Agency's Basic Safety Standards [6] and relevant provisions of the Agency's Regulations for the Safe Transport of Radioactive Materials [7], as these Standards and Regulations are revised from time to time, and shall as far as possible apply them also to any shipment of supplied material outside Romania. Romania shall endeavour to ensure safety conditions as recommended in the relevant parts of the Agency's codes of practice.
3. Romania shall arrange for the submission to the Agency, at least 60 days prior to the proposed transfer of any of the supplied material to the jurisdiction of Romania, of a detailed health hazards report containing the information specified in paragraph 29 of the Health and Safety Document, with particular reference to the following types of operations, to the extent that such information is relevant and not yet available to the Agency:
 - (a) Receipt and handling of supplied material;
 - (b) Loading of fuel into the reactor;
 - (c) Start-up and pre-operational testing of the reactor with the supplied material;
 - (d) Experimental programme and procedures involving the reactor;
 - (e) Unloading of fuel from the reactor;
 - (f) Handling and storage of fuel after unloading.

The transfer shall not take place until the Agency has determined that the safety measures, as described in the report, are acceptable. The Agency may require further safety measures in accordance with paragraph 30 of the Health and Safety Document. Should Romania desire to make substantial modifications to the procedures with respect to which information was submitted, or to perform any operations with the reactor (including finally closing it down) or with the supplied material as to which operation no such information was submitted, it shall submit to the Agency all relevant information as specified in paragraph 29 of the Health and Safety Document, in sufficient time to enable the Agency to perform its task in accordance with paragraph 30 of the Document, before such modified procedures or additional operations are carried out.

4. Romania shall arrange for the submission of the reports specified in paragraph 25 of the Health and Safety Document, the first report to be submitted not later than twelve months after the entry into force of this Agreement. In addition, the reports specified in paragraphs 26 and 27 of the Document shall be submitted.
5. The Agency may inspect the reactor, in accordance with paragraphs 33 to 35 of the Health and Safety Document, at the time of initial start-up with the supplied material, once during the first year of operation, and thereafter not more than once a year, provided that special inspections may be carried out in the circumstances specified in paragraph 32 of the Document.
6. Changes may be made in the safety standards and measures laid down in this Annex, in accordance with paragraphs 38 and 39 of the Health and Safety Document.

[6] Safety Series No. 9, 1967 Edition (STI/PUB/147).

[7] Ibid. No. 6, 1973 Revised Edition (STI/PUB/323).

ANNEX

UNITED STATES ATOMIC ENERGY COMMISSION

CHARGES FOR ENRICHED URANIUM

The rates of charges for enriched uranium, as provided for in Section 5 of this Contract, are as follows:

Percentage enrichment by weight in the isotope ^{235}U of the enriched uranium	Price US \$/g of enriched uranium
19	2.247
20	2.373
21	2.500
90	11.397
92	11.664
93	11.798
94	11.932