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THE TEXT OF THE AGREEMENT OF 15 JULY 1981 BETWEEN ARGENTINA AND THE AGENCY FOR THE APPLICATION OF SAFEGUARDS IN CONNECTION WITH CONTRACTS CONCLUDED BETWEEN THE COMISION NACIONAL DE ENERGIA ATOMICA ARGENTINA AND THE KRAFTWERK UNION AG (FEDERAL REPUBLIC OF GERMANY) FOR THE SUPPLY OF THE ATUCHA II NUCLEAR POWER PLANT

- 1. The text[1] of the Agreement of 15 July 1981 between Argentina and the Agency for the application of safeguards in connection with an agreement between the Argentine Republic and the Federal Republic of Germany concluded on 8 May 1980 to enable implementation of contracts between the Comisión Nacional de Energía Atómica Argentina and the Kraftwerk Union AG (Federal Republic of Germany) for the supply of the Atucha II Nuclear Power Plant is reproduced in this document for the information of all Members.
- 2. The Agreement entered into force, pursuant to Section 34, on 15 July 1981.

^[1] The footnote to the text has been added in the present information circular.

AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY
AND THE GOVERNMENT OF THE ARGENTINE REPUBLIC FOR THE
APPLICATION OF SAFEGUARDS IN RELATION TO THE
ATUCHA II NUCLEAR POWER PLANT

WHEREAS the Government of the Argentine Republic and the Government of the Federal Republic of Germany have concluded an agreement on 8 May 1980 to enable implementation of contracts between the Comisión Nacional de Energía Atómica Argentina and the Kraftwerk Union AG for the supply of the Atucha II Nuclear Power Plant:

WHEREAS the Government of the Argentine Republic has requested the International Atomic Energy Agency to apply its safeguards system in connection with the Atucha II Nuclear Power Plant;

WHEREAS the International Atomic Energy Agency is authorized by its Statute to apply safeguards, at the request of a State, to any of that State's activities in the field of atomic energy;

WHEREAS the Board of Governors of the International Atomic Energy Agency has acceded to the request of the Government of the Argentine Republic on 6 July 1981;

NOW THEREFORE, the Government of the Argentine Republic and the International Atomic Energy Agency have agreed as follows:

PART I

DEFINITIONS

- Section 1. For the purpose of this Agreement:
- (a) "Government" means the Government of the Argentine Republic;

- (b) "Agency" means the International Atomic Energy Agency;
- (c) "Board" means the Board of Governors of the Agency;
- (d) "Statute" means the Statute of the Agency;
- (e) "Safeguards Document" means Agency document INFCIRC/66/Rev.2;
- (f) "Inspectors Document" means the Annex to Agency document GC(V)/INF/39;
- (g) "Inventory" means the list of nuclear facilities and nuclear materials to be prepared by the Agency in accordance with Section 8;
- (h) "Atucha II Nuclear Power Plant" means the heavy water/natural uranium 745-MW(e) power reactor at Atucha, Province of Buenos Aires:
- (i) "nuclear material" means any source material or special fissionable material as defined in Article XX of the Statute;
- (j) "nuclear facility" means:
 - (i) A principal nuclear facility as defined in paragraph 78 of the Safeguards Document as well as a critical facility; or
 - (ii) Any location where nuclear material in amounts greater than one effective kilogram is customarily used or stored;
- (k) "List" means the list containing identification of information to be maintained by the Agency in accordance with Section 9;
- (1) "information" (except in Sections 6(c), 13 and 15) means relevant technological information transferred from the Federal Republic of Germany to the Argentine Republic contained in

design drawings, technical specifications, technical manuals for the operation and maintenance of the Atucha II Nuclear Power Plant or as may be derived from major components transferred from the Federal Republic of Germany, which is necessary for the design, construction or operation of another nuclear facility or major component. The term shall not include information in use in the Argentine Republic or freely available to the public at the time of transfer;

- (m) "major components" means any part of the primary circuit of the Atucha II Nuclear Power Plant, or of a future nuclear power plan of the type of the Atucha II Nuclear Power Plant, which is necessary for and specific to the operation of such a plant. Th term shall include fuel charging and discharging machines, pressure vessels, control rods, heavy water pumps and upgrading columns, and heat transfer equipment for such plants;
- (n) "produced, processed or used" means any utilization or any alteration of the physical or chemical form or composition, including any change of the isotopic composition, of the nuclear material involved:
- (o) "Agreement on the Privileges and Immunities of the Agency" means the Agreement which was approved by the Board on 1 July 1959 the text of which is published in Agency document INFCIRC/9/Rev.2.

PART II

UNDERTAKINGS BY THE GOVERNMENT AND THE AGENCY

Section 2. The Government undertakes that none of the following items shall be used for the manufacture of any nuclear weapon or to further any other military purpose or for the manufacture of any other nuclear explosive device:

- (a) The Atucha II Nuclear Power Plant, including major components thereof transferred from the Federal Republic of Germany to the Argentine Republic;
- (b) Any nuclear material which is transferred to the Argentine Republic for use in the Atucha II Nuclear Power Plant from the time when it comes under the jurisdiction of the Government;
- (c) Any nuclear facility or major component which is designed, constructed, or operated in the Argentine Republic on the basis of or by the use of information;

- (d) Any nuclear material, including subsequent generations of special fissionable material, which has been produced, processed or used in any of the nuclear facilities referred to in this Section, from the time when it is produced, processed or used;
- (e) Any other item while required to be listed in the Inventory.
- Section 3. The Agency undertakes to apply its safeguards system in accordance with the terms of this Agreement on all items referred to in Section 2 so as to ensure that no such item is used for the manufacture of any nuclear weapon or to further any other military purpose or for the manufacture of any other nuclear explosive device.
- Section 4. The Government undertakes to accept Agency safeguards, to facilitate their application and to co-operate with the Agency to that end. The Government and the Agency shall consult at any time, at the request of either Party, to ensure the effective implementation of this Agreement.

PART III

SAFEGUARDS GENERAL PRINCIPLES

Section 5. In applying safeguards, the Agency shall observe the general principles set forth in paragraphs 9 to 14 of the Safeguards Document.

PART IV

SAFEGUARDS PROCEDURES AND SUBSIDIARY ARRANGEMENTS

Section 6.

- (a) The procedures to be followed by the Agency in applying safeguards to the items listed in the Inventory shall be those specified in the Safeguards Document.
- (b) To that end the Government and the Agency shall make Subsidiary Arrangements concerning the implementation of such procedures, which shall specify in detail, to the extent necessary for the Agency to be able to fulfil its obligations in an effective and efficient manner, the way in which the procedures set forth in this Agreement are to be applied. The Subsidiary Arrangements shall further include such measures as are necessary for the application of safeguards to nuclear material and nuclear facilities as well as any containment and surveillance measures that may be required for the effective application of There may also be included other additional procedures resulting from technological developments of proven reliability. The Government and the Agency shall do everything they can to ensure that the Subsidiary Arrangements enter into force as soon as possible and in time to enable the Agency to fulfil the obligations devolving upon it under this Agreement.
- (c) The Agency shall have the right to request the information referred to in paragraph 41 of the Safeguards Document and to make the inspections referred to in paragraph 51 thereof. The Subsidiary Arrangements shall specify the scope of the information and the number of such inspections.

PART V

INVENTORY AND LIST

Section 7. The Agency shall establish and maintain an Inventory in accordance with Section 8 and a List in accordance with Section 9 of this Agreement.

Section 8. The following items shall be listed in the Parts of the Inventory specified below:

(a) In the Main Part:

- (i) The Atucha II Nuclear Power Plant, including major components thereof transferred from the Federal Republic of Germany to the Argentine Republic;
- (ii) Any nuclear material which is transferred to the Argentine Republic for use in the Atucha II Nuclear Plant from the time when it comes under the jurisdiction of the Government;
- (iii) Any nuclear facility or major component which is designed, constructed or operated in the Argentine Republic on the basis of or by the use of information;
 - (iv) Any nuclear material, including subsequent generations of special fissionable material which has been produced, processed or used in any of the nuclear facilities listed in the Inventory, from the time when it is produced, processed or used;
 - (v) Any nuclear material that has been substituted in accordance with paragraph 25 or paragraph 26 (d) of the Safeguards Document for any nuclear material referred to in (ii) or (iv) above.

(b) In the Subsidiary Part:

Amy nuclear facility which is not listed in the Main Part of the Inventory while containing nuclear material listed in the Main Part of the Inventory.

(c) In the Inactive Part:

Any nuclear material which should normally be listed in the Main Part of the Inventory but which is not listed because:

- (i) It is exempt from safeguards pursuant to paragraph 21, 22 or 23 of the Safeguards Document; or
- (ii) Safeguards thereon are suspended pursuant to paragraph 24 or 25 of the Safeguards Document.

Section 9. The Agency shall maintain a List containing an identification of such information as has been notified to it under Section 11, use being made of means suited to the purpose, such as code numbers or titles. The Government shall keep a record of the items of information identified in the List. Upon determination by the Government and the Agency that any informatio is no longer significant for any nuclear activity relevant from th point of view of safeguards or when any information becomes freely available to the public, appropriate deletions shall be made from the List.

Section 10. The Agency shall send a copy of the Inventory and the List to the Government every twelve months and also at other times specified by the Government in a request communicated to the Agency at least two weeks in advance.

NOTIFICATIONS AND REPORTS

- Section 11. The Government shall notify the Agency of:
- (a) Any transfers into its jurisdiction of any major component or of nuclear material for use in the Atucha II Nuclear Power Plant:
- (b) Receipt of any item of information;
- (c) Any nuclear facility or major component required to be listed in the Inventory in accordance with Section 8 (a) (iii); and
- (d) Any nuclear facility required to be listed in the Inventory in accordance with Section 8 (b).
- Section 12. The Government shall notify the Agency by means of reports in accordance with the Safeguards Document and the Subsidiary Arrangements of any nuclear material produced, processed, or used during the period covered by the report and referred to in Section 8 (a) (iv). Upon receipt by the Agency of the notification, such nuclear material shall be so listed in the Main Part of the Inventory. The Agency may verify the calculations of the amounts of such nuclear material. Appropriate adjustments in the amounts appearing in the Inventory shall be made by agreement between the Government and the Agency.
- Section 1.3. The notifications of transfers may also be made in a single document by the Government jointly with the Government of the Federal Republic of Germany. The Agency may provide the Government of the Federal Republic of Germany with information relating to the Inventory and the List.
- Section 14. The notifications provided for in Section 11 shall be made as follows in accordance with details to be agreed in the Subsidiary Arrangements:
 - (a) For Section 11 (a) and (b) within 30 days of the receipt of the item or information in question;

- (b) For Section 11 (c) not later than three months before commencement or operation; and
- (c) For Section 11 (d) within two weeks after the arrival of the nuclear material at the nuclear facility in question.

Section 15. Notifications or reports made pursuant to Sections 11, 12, 13, 17 and 18 shall specify, to the extent appropriate, the nuclear and chemical composition, the quantity and the physical form of the nuclear material; the type and capacity of the nuclear facility or major component; the date of receipt or dispatch and location of the item in question; the identification of the consignor and consignee, and any other information relevant to safeguards.

Eaction 16. The Agency shall, within 30 days of receiving a notification pursuant to Section 11, 12 or 13, inform the Government that the items covered by the notification are listed in the lowentory or List, respectively.

PART VI

TRANSFERS

Section 17. The Government shall notify the Agency of any intended transfer of any item listed in the Main Part of the Inventory to an nuclear facility within its jurisdiction except a nuclear facility at which Subsidiary Arrangements, under this or another Safeguards Agreement, applicable to that item are in force, and shall provide the Agency, three months before such transfer is effected, with sufficient information to enable it to determine whether it ca apply safeguards to the item and the nuclear facility in question, after transfer to such a nuclear facility. The necessary basis fo the application of safeguards shall be settled in the Subsidiary Arrangements before the transfer of the item in question.

Section 18. The Government shall notify the Agency of any intended transfer of any item in the Inventory to a recipient which is not under the jurisdiction of the Government. The transfer of nuclear material shall be made in accordance with the conditions of paragraph 28 of the Safeguards Document. The same conditions shall apply, mutatis mutandis and to the extent relevant, to the transfer of other items on the Inventory. Upon notification of the Government by the Agency of compliance with the said conditions and on receipt of the notification of transfer from the Government, the item in question shall be deleted from the Inventory.

Section 19. Information may be transferred to a recipient which is not under the jurisdiction of the Government only after the Agency has confirmed that it has made arrangements to apply safeguards in connection with the use of such information.

PART VII

EXEMPTION FROM AND SUSPENSION OF SAFEGUARDS

Section 20. The Agency shall exempt from safeguards nuclear material listed in the Main Part of the Inventory under the conditions specified in paragraph 21, 22 or 23 of the Safeguards Document.

Section 21. The Agency shall suspend safeguards on nuclear material under the conditions specified in paragraph 24 or 25 of the Safeguards Document.

Section 22. Nuclear material which is exempted from safeguards or on which safeguards have been suspended shall be deleted from the Main Part of the Inventory and shall be listed in the Inactive Part of the Inventory.

TERMINATION OF SAFEGUARDS

Section 23. The safeguards applied pursuant to this Agreement shall be terminated by the Agency under the following conditions:

- (a) On any item listed in the Inventory upon transfer in accordance with Section 18;
- (b) On nuclear material, under the conditions specified in paragraph 26 or 27 of the Safeguards Document;
- (c) On nuclear facilities and major components listed in the Main Part of the Inventory as and when the Agency determines that they are no longer usable for any nuclear activity relevant from the point of view of safeguards.

Section 24. Upon termination of safeguards on nuclear material, nuclear facilities or major components pursuant to Section 23 the item in question shall be deleted from the Inventory. The Agency shall, within 30 days of deleting an item from the Inventory pursuant to Section 23, inform the Government accordingly.

PART VIII

AGENCY INSPECTORS

Section 25. The provisions of paragraphs 1 to 10 and 12 to 14, inclusive, of the Inspectors Document shall apply to Agency inspectors performing functions pursuant to this Agreement, except that paragraph 4 of the Inspectors Document shall not apply to any nuclear facility or to nuclear material to which the Agency has access at all times. The actual procedures to implement paragraph 50 of the Safeguards Document shall be agreed in the Subsidiary Arrangements.

Section 26. The relevant provisions of the Agreement on the Privileges and Immunities of the Agency^{2/} shall be applied by the Government to the Agency, its inspectors and to any property of the Agency used by them in performing their functions under this Agreement.

^{2/} INFCIRC/9/Rev.2.

PART IX

PHYSICAL PROTECTION

Section 27. The Government shall take all the measures necessary for the physical protection of nuclear material, nuclear facilities and major components subject to this Agreement, taking into consideration the recommendations of the Agency with regard to such measures.

PART X

FINANCIAL PROVISIONS

Section 28. Expenses shall be borne as follows:

- (a) Subject to paragraph (b) of this Section, each Party shall bear any expenses incurred in the implementation of its responsibilities under this Agreement;
- (b) All special expenses incurred by the Government or by persons under its jurisdiction, at the written request of the Agency, its inspectors or other officials, shall be reimbursed by the Agency if the Government notifies the Agency before the expense is incurred that reimbursement will be required.

Nothing in this Section shall prejudice the allocation of expenses which are reasonably attributable to a failure by either Party to comply with this Agreement.

Section 29. The Government shall ensure that any protection against third party liability, including any insurance or other financial security in respect of risks of nuclear accident at nuclear facilities under its jurisdiction, shall apply to the Agency and its inspectors when carrying out their functions under this Agreement as that protection applies to residents of the Argentine Republic.

PART XI

NON-COMPLIANCE

Section 30.

- (a) If the Board determines, in accordance with Article XII.C of the Statute, that there has been any non-compliance with this Agreement, the Board shall call upon the Government to remedy such non-compliance forthwith, and the Board shall make such reports as it deems appropriate. In the event of failure by the Government to take fully corrective action within a reasonable time, the Board may take any other measures provided for in Article XII.C of the Statute.
- (b) The Agency shall immediately notify the Government of any determination of the Board pursuant to this Section.

PART XII

SETTLEMENT OF DISPUTES

Any dispute arising out of the interpretation or Section 31. application of this Agreement which is not settled by negotiation or other procedure agreed to by the Parties shall, on the request of either Party, be submitted to an arbitral tribunal composed as follows: each Party shall designate one arbitrator and the two arbitrators so designated shall elect a third, who shall be the Chairman. 30 days of the request for arbitration one of the Parties has not designated an arbitrator, either of the Parties to the dispute may request the President of the International Court of Justice to appoint The same procedure shall apply if, within 30 days of an arbitrator. the designation or appointment of the second arbitrator, the third A majority of the members of the arbitrator has not been elected. arbitral tribunal shall constitute a quorum and all decisions shall be

made by majority vote. The arbitral procedure shall be fixed by the tribunal. The decisions of the tribunal, including all rulings concerning its constitution, procedure, jurisdiction and division of the expenses of arbitration between the Parties, shall be binding on both Parties. The arbitrators shall be remunerated under the same conditions as those of ad hoc judges of the International Court of Justice.

Section 32. Decisions of the Board concerning the implementation of this Agreement, except such as relate only to the subjects covered in Sections 27, 28 and 29 shall, if they so provide, be given effect immediately by the Parties, pending the final settlement of any dispute.

PART XIII

AMENDMENTS, ENTRY INTO FORCE AND DURATION

Section 33. The Parties shall, at the request of either of them, consult about amending this Agreement. If the Board decides to make any changes in the Safeguards Document or in the scope of the safeguards system or in the Inspectors Document, this Agreement shall be amended, if the Government so requests, to take account of such changes.

Section 34. This Agreement shall enter into force upon signature by or for the Director General of the Agency and by the authorized representative of the Government. It shall remain in force until safeguards have been terminated, in accordance with its provisions, on all nuclear material including subsequent generations of produced special fissionable material, major components and nuclear facilities listed in the Main Part of the Inventory and until the List referred to in Section 9 no longer contains any identification of information, or as may be otherwise agreed between the Government and the Agency.

DONE in Vienna on the fifteenth day of July 1981 in duplicate in the Spanish language.

For the GOVERNMENT OF THE ARGENTINE REPUBLIC:

(signed) Francisco PULIT

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Maurizio ZIFFERERO