



International Atomic Energy Agency

INFCIRC/83

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GENERAL Distr.

Original: ENGLISH

**THE TEXTS OF THE INSTRUMENTS CONNECTED WITH THE
AGENCY'S ASSISTANCE TO TURKEY IN FURTHERING
PROJECTS BY THE SUPPLY OF MATERIALS**

The texts [1] of the Master Agreement between the Agency and the Government of Turkey, and of Supplementary Agreement No. 1 thereto, in connection with the Agency's assistance to that Government in furthering projects by the supply of materials, are reproduced in this document for the information of all Members. Both Agreements entered into force on 8 February 1966.

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

I. MASTER AGREEMENT

MASTER AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY
AND THE GOVERNMENT OF TURKEY FOR ASSISTANCE BY THE AGENCY
IN FURTHERING PROJECTS BY THE SUPPLY OF MATERIALS

WHEREAS the International Atomic Energy Agency (hereinafter the "Agency") is authorized to assist its Member States in the acquisition of special fissionable or other materials for research on atomic energy for peaceful purposes.

WHEREAS the Government of Turkey (hereinafter the "Government") wishes to make arrangements for securing from time to time, on a simplified basis, materials from the Agency;

NOW, THEREFORE, the Agency and the Government agree as follows:

Section 1. Upon approval by the Agency of a project proposed by the Government for the peaceful uses of atomic energy and of the allocation thereto of special fissionable or other materials, the Agency and the Government will enter into a supplementary agreement to this Agreement (hereinafter the "Supplementary Agreement") [2] which shall inter alia:

- (a) Define the project;
- (b) Specify the materials allocated (hereinafter, and in the Supplementary Agreements, the "supplied material");
- (c) Set forth the terms and conditions, including charges, on which the supplied material is to be provided, which in general will be accomplished by incorporating into the Supplementary Agreement the provisions of the related instrument concluded between the Agency and the supplier (hereinafter the "Supply Instrument") [3]; and
- (d) Set forth any special provisions.

Section 2. Except as may be otherwise specified in the Supplementary Agreement, the Government shall perform on behalf of the Agency all obligations which the Agency assumes in the Supply Instrument, and the Agency and the Government shall have, with respect to each other, mutatis mutandis the same rights and obligations as are specified respectively for the seller and the purchaser in that Instrument.

Section 3. The Government shall communicate to the supplier any necessary shipping instructions, and shall also indicate the person(s) authorized to accept the shipment and to sign a receipt therefor. If the Supply Instrument provides that the supplier is to deliver the supplied material to the Agency, then such person(s) designated by the Government is/are hereby also authorized and should be instructed to accept and sign on behalf of the Agency.

[2] Part II of this document.

[3] Ibid., Annex A.

Section 4. The Government shall transmit to the Agency, immediately after accepting possession of the supplied material, a copy of the receipt by which delivery of the supplied material is acknowledged, which receipt should specify the exact amount and description of the nuclear material transferred and the date and place of transfer of possession.

Section 5. Unless otherwise specified in the Supplementary Agreement:

- (a) The Government shall pay to the Agency, within thirty days of receiving its invoice, an amount equal to that which the Agency is required to pay to the supplier pursuant to the Supply Instrument. If that Instrument provides for any penalty charge to be paid by the Agency in case of delayed payment, the Agency shall be entitled to a similar charge in case of a delay in payment by the Government; and
- (b) The Government shall also assume and pay directly all costs in connection with the supplied material that are not charged by the supplier to the Agency, including costs of fabrication, transportation and insurance, to whomsoever these may be payable.

Section 6. Unless otherwise provided in the Supply Instrument, title to the supplied material shall pass to the Government at the time it accepts possession of the material. If the Supply Instrument provides that title shall be transferred to the Agency, then the title shall upon such transfer immediately and automatically vest in the Government.

Section 7. Any part of the supplied material the shipment of which is arranged by the Government while the material is in its possession shall be entrusted to a licensed public carrier selected by the Government or shall be accompanied by a responsible person designated by the Government. The conditions of the shipment shall conform, as far as possible, to those set forth in the Agency's Regulations on the Safe Transport of Radioactive Materials [4].

Section 8. The Government undertakes that the supplied material shall not be used in such a way as to further any military purpose.

Section 9. Unless otherwise provided in the Supplementary Agreement or in any other relevant agreement with the Agency, the supplied nuclear material shall be exempted from Agency safeguards if such exemption is permissible under the Agency's safeguards system in force at the time of such transfer [5], taking into account the quantities of PN nuclear materials in the State at that time. If the material cannot be thus exempted from safeguards then safeguards will be suspended if such suspension is permissible under the Agency's safeguards system, taking into account the quantities of nuclear materials as to which safeguards are suspended in the State at the time of such transfer. If neither exemption from nor suspension of safeguards is possible then the supplied material will be subject to Agency safeguards in accordance with provisions to be determined by the Board of Governors of the Agency after the Director General of the Agency has consulted with the Government.

[4] Safety Series No. 6, 1964 Revised Edition (STI/PUB/97).

[5] INFCIRC/66.

Section 10. Unless otherwise provided in the Supplementary Agreement, each project shall be subject to the following health and safety provisions: The Government shall apply to operations carried out in implementation of each project the Agency's Basic Safety Standards [6] and its specialized regulations, and shall endeavour to ensure safety conditions as recommended in the relevant parts of the Agency's Codes of Practice. The Government shall arrange for the submission of the reports specified in paragraphs 25 (a), 26 and 27 of Agency document INFCIRC/18 with respect to any supplied material and operations involving it. The Agency may carry out special inspections under the circumstances specified in paragraph 32 of the said document; the Government shall apply the relevant provisions of the Annex to Agency document GC(V)/INF/39 and of the Agreement on the Privileges and Immunities of the Agency [7] to the Agency's inspectors and to any property of the Agency used by them in performing their functions.

Section 11. Pursuant to Article VIII, B of the Statute of the Agency, the Government shall make available to the Agency without charge all scientific information developed as a result of the assistance extended by the Agency. The Agency does not claim, on the basis of its participation resulting from this Agreement and the Supplementary Agreements thereto, any right in any inventions or discoveries arising from the projects. The Agency may, however, be granted licences under any patents upon terms to be agreed.

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.

Section 13. Any dispute concerning the interpretation or application of this Agreement or of any Supplementary Agreement thereto (including any Supply Instrument incorporated therein), which is not settled by negotiations or as may otherwise be agreed, shall be submitted to an arbitral tribunal. At the request of the Agency the supplier may also join in such proceeding as a separate party.

Each party to the disputes proceeding shall designate one arbitrator. If within thirty days of the request for arbitration any party has not designated an arbitrator, the President of the International Court of Justice (hereinafter the "Court") may appoint the necessary number of arbitrators at the request of any party to the proceeding. The arbitrators so designated or appointed shall by unanimous decision elect an additional arbitrator, who shall be the Chairman, as well as a sufficient number of other arbitrators so that the number of elected arbitrators is one less than the number of parties to the proceeding. If within thirty days after the last of the necessary number of arbitrators has been designated or appointed, the Chairman or any of the other additional arbitrators have not been elected, the President of the Court may appoint the necessary number of additional arbitrators at the request of any designated or appointed arbitrator.

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

Section 14. 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.

[6] Safety Series No. 9 (STI/PUB/26).

[7] INFCIRC/9/Rev. 1.

DONE in duplicate in the English language.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Gennady Yagodin Vienna, Austria 4 February 1966

For the GOVERNMENT OF TURKEY:

(signed) Seyfi Turagay Vienna, Austria 8 February 1966

[1] INFCIRC/83/Rev. 1
[2] Safety series no. 1 (ST)/PUB/201

II. SUPPLEMENTARY AGREEMENT

SUPPLEMENTARY AGREEMENT NO. 1 TO THE MASTER AGREEMENT BETWEEN THE INTERNATIONAL ATOMIC ENERGY AGENCY AND THE GOVERNMENT OF TURKEY FOR ASSISTANCE BY THE AGENCY IN FURTHERING PROJECTS BY THE SUPPLY OF MATERIALS

WHEREAS the International Atomic Energy Agency (hereinafter the "Agency") and the Government of Turkey (hereinafter the "Government") on 8 February 1966 entered into a Master Agreement for Assistance by the Agency in Furthering Projects by the Supply of Materials (hereinafter the "Master Agreement") [8];

WHEREAS the Government has proposed a project for research on atomic energy for peaceful purposes and has requested the assistance of the Agency in the supply of certain material therefor;

WHEREAS the Board of Governors of the Agency approved the project on 26 February 1964; and

WHEREAS the Government of the United States of America (hereinafter the "United States") has agreed to supply, through its Atomic Energy Commission, the necessary material;

NOW, THEREFORE, the Agency and the Government agree as follows:

Section 1. The project to which this Supplementary Agreement relates is the conduct, at the Nuclear Engineering Laboratory of the Technical University of Istanbul, of experiments including determination of fast neutron attenuation cross-section and nuclear radius, thermal flux mapping, albedo measurements, and transmission cross-sections for thermal neutrons.

Section 2. The following material is hereby allocated to the project:

80 grams of plutonium incorporated in three Pu-Be neutron sources.

Section 3. The supplied material is to be provided by the United States Atomic Energy Commission in accordance with the terms of the Master Contract between the Agency and the Commission for Sales of Research Quantities of Special Nuclear Materials and of the Supplemental Contract No. 10 thereto, a copy of each of which is attached hereto. Except as specifically provided therein and in this Supplementary Agreement, the provisions of the Master Agreement shall apply.

Section 4. In view of the special hazards connected with the project, the Agency shall have the right to perform one health and safety inspection, pursuant to paragraphs 31 and 33 through 35 of Agency document INFCIRC/18, as soon as the material is delivered.

[8] Part I of this document.

Section 5. This Supplementary Agreement shall enter into force upon signature by or for the Director General of the Agency and by the authorized representative of the Government.

For the INTERNATIONAL ATOMIC
ENERGY AGENCY:

For the GOVERNMENT OF TURKEY:

(signed) Gennady Yagodin
4 February 1966

(signed) Seyfi Turagay
8 February 1966

A N N E X A

MASTER CONTRACT FOR SALES OF RESEARCH QUANTITIES
OF SPECIAL NUCLEAR MATERIALS

The International Atomic Energy Agency (hereinafter referred to as the "Purchaser") agrees to purchase from the United States Atomic Energy Commission (hereinafter referred to as the "Seller"), acting for and on behalf of the Government of the United States of America, and the Seller agrees to sell to the Purchaser research quantities of special nuclear materials pursuant to the terms of the Agreement for Co-operation between the International Atomic Energy Agency and the Government of the United States of America signed on 11 May 1959 (hereinafter referred to as the "Co-operation Agreement") [9], subject to the terms below and as specified in supplemental contracts to be concluded from time to time between the Purchaser and Seller. Such supplemental contracts shall detail the specifications of the material, the charges, the port of export from the United States and any shipping and delivery instructions.

1. Any special nuclear material (hereinafter referred to as "material") sold hereunder which is to be furnished to the Purchaser directly shall be delivered by the Seller to the Purchaser at the United States port of export specified in the relevant supplemental contract.

2. (a) With respect to material sold hereunder which is to be furnished to a United States contractor engaged by the Purchaser for purposes of processing, fabrication, or analysis and measurement, the Seller shall make available to the said contractor, f.o.b. commercial conveyance at a facility of the Seller, the said material, subject to such terms, charges and licences as the Commission may require.

(b) Upon completion of the processing, fabrication, or analysis and measurement of the material by the said contractor, the Purchaser shall arrange for a transporter who, subject to such terms, charges and licences as the Commission may require, shall transport such material to the United States port of export specified in the relevant supplemental contract. The material shall be delivered by the Seller to the Purchaser at the port of export.

3. Upon delivery to the Purchaser at the port of export pursuant to paragraph 1 or 2(b) above, the Seller shall perform those actions required to authorize the export of the material. Delivery and acceptance of the material shall be evidenced by appropriate transfer documents. Title to the material shall vest in the Purchaser at the time the material leaves the jurisdiction of the United States of America.

4. After delivery to the Purchaser, the Purchaser shall bear all responsibility, insofar as the Government of the United States of America, the Seller, and persons acting on behalf of the Seller are concerned, for the safe handling and the use of the material sold hereunder. Sales are made by the Seller without warranty of any kind, express, implied or statutory, concerning the material.

5. If the material is transferred hereunder directly to the Purchaser and does not conform to the specifications set forth in the relevant supplemental contract or, if no such specifications are set forth, to the Seller's established specifications, the responsibility and liability of the Government of the United States of America, the Seller, and persons acting on behalf of the Seller shall be limited solely to correcting such discrepancies by delivery at a mutually agreeable port of export in the United States of material which does conform to the applicable specifications. In the case of material which is furnished to the

[9] INFCIRC/5, Part III.

Purchaser's United States contractor preliminary to delivery to the Purchaser by the Seller, the liabilities and responsibilities of the Seller concerning non-conformity to the specifications of said material shall be governed by the Special Nuclear Material Lease Agreement between the Seller and the said contractor.

6. The term "Seller's established specifications" means the specifications for purity and other physical or chemical properties of special nuclear material, as published by the Seller in the United States Federal Register from time to time.

7. All costs of transportation and delivery, including cost of containers, withdrawal, packaging, handling and storing such material, as well as any other charges set forth in the supplemental contracts, shall be the responsibility of and be borne by the Purchaser.

8. The material sold hereunder may be furnished by the operator of any of the Seller's facilities.

9. Payment shall be made in United States currency within sixty (60) days after date of an invoice which will be sent at or subsequent to the time of the Seller's delivery of material to the Purchaser. Failure to receive payment within sixty (60) days after date of invoice shall entitle the Seller to an additional charge at six per cent (6%) per annum on the unpaid amount.

10. The Seller will make reasonable efforts to deliver material at the time or times set forth in the relevant supplemental contract, but the Seller shall not be liable for any failure to so deliver.

11. The sales pursuant to this Contract shall be in all respects subject to and in accordance with the provisions of the Co-operation Agreement and any amendments or revisions thereto.

12. Neither this Contract nor any rights or interests herein or under any supplemental contracts shall be assigned by the Purchaser. However, it is understood that the Purchaser may resell or otherwise transfer the material sold hereunder.

13. No Member of the Congress of the United States of America shall be admitted to or share any part of this or any supplemental contract or any benefit that may arise therefrom.

14. Any dispute arising under this or any supplemental contract which is not settled by mutual agreement of the parties shall be referred for arbitration to a board composed of three arbitrators. One such arbitrator shall be appointed by the Purchaser, one shall be appointed by the Seller, and the third arbitrator, who shall be the Chairman, shall be selected by the first two. In the event that the first two arbitrators so selected are unable to agree on a third arbitrator within three months of their selection, the third arbitrator shall be chosen by the Secretary-General of the United Nations at the request of either of the parties. The decision of a majority of the arbitrators so selected shall be final and binding. Allocations of the costs of arbitration shall be determined by the board of arbitrators; provided, however, that no party shall be obliged to pay the costs of the other party's arbitrator.

IN WITNESS WHEREOF, the Purchaser and the Seller have executed this Contract,

FOR THE INTERNATIONAL ATOMIC
ENERGY AGENCY

FOR THE UNITED STATES ATOMIC ENERGY
COMMISSION ACTING FOR AND ON BEHALF
OF THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

(signed) Henry Seligman
24 July 1962

(signed) Myron B. Kratzer
20 August 1962

A N N E X B

SUPPLEMENTAL CONTRACT NO. 10 OF SALE OF RESEARCH
QUANTITIES OF SPECIAL NUCLEAR MATERIALS

The International Atomic Energy Agency (hereinafter referred to as the "Purchaser") agrees to purchase from the United States Atomic Energy Commission (hereinafter referred to as the "Seller"), acting for and on behalf of the United States of America, and the Seller agrees to sell to the Purchaser the following described material pursuant to the terms of the Master Contract for Sales of Research Quantities of Special Nuclear Materials entered into between the Purchaser and the Seller on 20 August 1962.

Item or Material:

80 grams plutonium to be incorporated into three Pu-Be neutron sources

Delivery to:

A representative of the Government of Turkey, to be designated by that Government to act on behalf of the Agency in accepting these materials.

Through:

Port of New York

Delivery Date:

As soon as possible

For the INTERNATIONAL ATOMIC
ENERGY AGENCY

(signed) Gennady Yagodin
4 February 1966

Charges:

As per the schedule of charges published in the U.S. Federal Register for plutonium in effect at date of transfer of the material plus charges for packaging and handling. Seller's current price for plutonium about \$43 per gram. If the Seller's price as published in the United States Federal Register is increased prior to the actual delivery date, the Purchaser may cancel the contract or appropriate part thereof, by notifying the Seller within fifteen days after having been informed of the price increase. The Purchaser or the Government of Turkey will pay and arrange for the fabrication and transportation of the sources

Bill to:

International Atomic Energy Agency,

Delivery Instructions:

To be provided by the Government of Turkey

For the UNITED STATES ATOMIC ENERGY
COMMISSION, acting for and on behalf of the
Government of the UNITED STATES OF AMERICA

(signed) Myron B. Kratzer