Testimony of Assistant Secretary Thomas M. Countryman on Negotiations of the Successor Agreement for Peaceful Nuclear Cooperation between the Government of the United States of America and the Government of the Republic of Korea Concerning Peaceful Uses of Nuclear Energy

Joint Subcommittee Hearing: Next Steps in the U.S. – Republic of Korea Alliance

Subcommittee on Asia and the Pacific, Subcommittee on Terrorism, Nonproliferation, and Trade

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Next Steps in the U.S. – Republic of Korea Alliance

Chairman Chabot, Chairman Poe, Ranking Members Faleomavaega and Sherman, and Members of the Subcommittees,

Thank you for this opportunity to testify before you today, regarding the negotiations on a successor agreement for peaceful nuclear cooperation between the United States and the Republic of Korea. As the May 2013 meeting between President Obama and Republic of Korea President Park Geun-hye demonstrated, the United States and the Republic of Korea continue to be strong allies across the spectrum of political, security, and economic issues. In the nuclear realm, the United States prizes its longstanding cooperation with the Republic of Korea in many areas. We have a history of working together to harvest the peaceful uses of nuclear energy and are pressing forward with our shared objective of achieving the verifiable denuclearization of the Korean Peninsula in a peaceful manner.

Request for Authorization to Extend Existing Agreement

The current agreement for peaceful nuclear cooperation, or 123 Agreement, between the United States and the Republic of Korea entered into force in March 1973 and expires in March 2014. The United States and the Republic of Korea began negotiating a successor agreement in 2010, and we have made substantial progress in creating a text that properly reflects both our governments' roles as global leaders in nuclear energy and our mutual commitment to the highest standards of nonproliferation. Because of the breadth and depth of our current and future nuclear cooperation with the Republic of Korea, it takes some time and effort to resolve complex technical issues. I have no doubt that we will get there.

To allow sufficient time to resolve these complicated issues, the United States and the Republic of Korea decided in April to seek a two-year

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extension of the existing agreement. An extension would facilitate the efforts of both our governments to finalize the text of an agreement that promotes United States and ROK nonproliferation and civil nuclear cooperation objectives and priorities, and which fulfills our respective domestic requirements to bring that agreement into force. An extension would also ensure there is no lapse in our ongoing civil nuclear cooperation, preserving stability and predictability in our joint commercial activities.

It is for these reasons that the Administration is seeking Congressional support for an extension of the existing agreement. We are grateful for your consideration of this request, and I would like to thank Chairman Royce, Ranking Member Engel, and the other members of the Committee who have co-sponsored the pending draft legislation authorizing the President to extend the term of the current U.S.-Republic of Korea agreement for peaceful nuclear cooperation for a period not to exceed March 19, 2016, notwithstanding any other provision of law. The Administration stands ready to work with Congress to achieve the extension of the existing agreement. Early passage of such legislation would provide confidence to both countries, including our respective nuclear industries, that cooperation will continue smoothly.

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Draft Successor Agreement Text

Let me also say a few words about our efforts to negotiate the successor U.S.-Republic of Korea 123 agreement. Our two governments are working together to conclude an agreement that builds on our fruitful and longstanding partnership, reinforces our shared status as global leaders in nuclear energy, and reaffirms our mutual commitment to the highest standards of nuclear nonproliferation. We will continue to focus on working together to address common practical challenges facing our nuclear industries as outlined by President Obama and President Park this May. The two leaders talked about making progress on spent fuel management, maintaining a reliable supply of reactor fuel, and strengthening our respective nuclear industries. We conducted a round of negotiations in June and made progress in coming closer to an agreed text. The United States and the ROK intend to meet about every quarter to conclude negotiations on a successor agreement as soon as possible.

Conclusion

Chairman Chabot and Chairman Poe, Ranking Members Faleomavaega and Sherman, we are approaching these negotiations as two

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close allies and partners committed to advancing our countries' global leadership in the peaceful uses of nuclear energy and preventing nuclear proliferation worldwide. I am confident our two governments can produce a successor agreement text that serves as a strong foundation for U.S.-ROK bilateral civil nuclear cooperation for the future and reaffirms our common commitment to nonproliferation.

Thank you, again, for this opportunity to discuss this important aspect of our relationship with the Republic of Korea. I look forward to your questions.