

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:168

ANSWERED ON:22.11.2006

CURRENT STATUS OF INDO- US NUCLEAR DEAL

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Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) the current status of the Indo-US Nuclear Deal;
- (b) the number of meetings held in this regard since July, 2005;
- (c) the details of discussion held and the outcome of these meetings;
- (d) whether the conditions put forward by the US have been sorted out;
- (e) if so, the details thereof;
- (f) whether the separation of civil and defence nuclear facilities have since been carried out;
- g) if so, the details in this regard;
- h) whether special protection is likely to be provided to companies entering this sector;
- i) if so, the details thereof; and
- j) the time by which supply of nuclear material is likely to commence?

Answer

THE MINISTER OF EXTERNAL AFFAIRS (SHRI PRANAB MUKHERJEE)

(a) The US Congress is currently considering amendment to US laws to enable full civil nuclear energy cooperation with India. On 26 June 2006, the US House International Relations Committee passed a Bill H.R. 5682 titled "United States and India Nuclear Cooperation Promotion Act of 2006" with a strong majority of 37-5. Later the Bill was passed with an overwhelming majority of 359-68 by the US House of Representatives on 26 July 2006. Similarly, US Senate Foreign Relations Committee approved by a vote of 16-2 its version of the Bill S.3709 entitled the "United States and India Peaceful Atomic Energy Cooperation Act" on June 29, 2006. On 16 November 2006, the US Senate in its lame duck session passed the Bill by an overwhelming majority of 85-12. A Conference will be convened shortly by the Congress to reconcile the House and Senate versions of the Bill which will then be voted upon in its final form by both chambers.

(b)-(c) The nuclear understanding has been discussed with the US side in several meetings since July 18, 2005. Notable meetings, apart from the meetings referred elsewhere in the note, inter alia, include:

Meeting between President Bush and Prime Minister on March 2, 2006 in New Delhi

Meeting between Prime Minister and President Bush in New York on September 25, 2005.

Meeting between Prime Minister and President Bush in St. Petersburg on July 17, 2006.

Meetings with leaders in the US Congress during the visits of Foreign Secretary to Washington DC.

Meeting between Foreign Secretary and US Under Secretary Burns in Washington DC in April 2006.

Meeting between Foreign Secretary and US Under Secretary Burns in London on May 23, 2006.

Meeting between Foreign Secretary and US Under Secretary Burns in Paris in July 2006.

Meeting between Foreign Secretary and US Under Secretary Burns in New York in September 2006.

Meeting between RM and US Secretary of State Condoleezza Rice in New York on September 21, 2006.

The above meetings were used to exchange views and take stock of the process underway to bring about full civil nuclear energy cooperation, and to convey India's concerns on some aspects of the legislation under consideration in the US Congress.

Earlier, an India-US Working Group was set up for implementation of the nuclear understanding and met four times: in Delhi from October 21-22, 2005, in Washington DC from December 21-22, 2005, in Delhi from January 19-20, 2006 and again in Delhi from February 23-24, 2006.

India-US Bilateral Nuclear Cooperation Agreement

Both sides held one round of 123 negotiations from June 12-14, 2006 during which substantial progress was registered. Foreign Secretary also met Under Secretary Burns in July and September 2006 to discuss US legislation and the next steps on the 123 Agreement negotiations. Thereafter, an informal meeting between teams of the two countries took place in New Delhi from November 6-8, 2006 to discuss various concepts pertaining to the legislation and unresolved issues in the agreement.

Discussions with IAEA

Discussions with IAEA on the Safeguards Agreement were initiated when the Chairman of the Atomic Energy Commission, Dr. A. Kakodkar visited Vienna in early March 2006 for a meeting with the Director General of the IAEA. Subsequently, an IAEA team visited New Delhi for discussions with the Indian side on July 8, 2006.

Adjustment of NSG Guidelines

As part of its commitments, US circulated a statement in the NSG in March 2006 proposing to adjust NSG Guidelines with respect to India to enable full civil nuclear cooperation. An Indian delegation made a presentation to the NSG meeting in Vienna in October 2006. We have also taken up this issue bilaterally with a number of countries.

(d)-(e) Prime Minister had made a statement during a Short Duration Discussion in Rajya Sabha on 17 August and in Lok Sabha on 23 August 2006. The statements made clear that anything that went beyond the parameters of July 18 Joint Statement would be unacceptable to India. There were elements of concerns with regard to what is in the current version of the Bills, and these had been conveyed to the US Government. It would be premature to predict the eventual outcome of this process or to comment on the matter till we have seen the legislation in its final form.

The India-US nuclear understanding is as laid out in the July 18, 2005 Joint Statement and the Separation Plan tabled in Parliament by the Prime Minister on March 7, 2006. There is no question of accepting any additional requirements beyond those contained in July 18, 2005 Joint Statement and March 2006 Separation Plan. This has been conveyed to the US side. The US side in its Statement of Administration Policy of July 26, 2006 issued after the passage of the House version of the Waiver Bill has clarified that any conditions imposed by the waiver bills to be passed by US Congress that goes beyond the July 18 2005 Joint Statement would not be acceptable to the US Administration.

(f)-(g) India finalized its Separation Plan in March 2006 and it was tabled in the Parliament by the Prime Minister on March 7, 2006. The full and complete version of this plan was once again laid on the table of the Parliament by PM on 11 May 2006. The Separation Plan has laid out the schedule of placing India's nuclear reactors under safeguards beginning from 2007. As, Prime Minister stated in the Parliament, on 17 August 2006, India will not place its nuclear facilities under safeguards till all restrictions on India are lifted.

(h)-(i) Government of India is seized of all aspects of the matter. However, specific policy decisions would need to be taken only at an appropriate time.

(j) It is premature to speculate on the specific time by which supplies could commence as the process to enable full civil nuclear energy cooperation with India is still underway.