

GULF ROUNDTABLE SUMMARY

PARTICIPATING SCHOLAR

Thomas R. Pickering is Vice Chairman of Hills & Company. Ambassador Pickering served as Under Secretary of State for Political Affairs (1997-2000) and as U.S. Ambassador to the Russian Federation, India, Israel, El Salvador, Nigeria, and Jordan. He also was U.S. Ambassador and Representative to the United Nations in New York, where he led the U.S. effort to build a coalition in the UN Security Council during and after the first Gulf War. He also served as Special Assistant to Secretaries of State William P. Rogers and Henry A. Kissinger. After retiring from the State Department in 2000, Ambassador Pickering joined the Boeing Company as Senior Vice President, International Relations and member of the Executive Council. He holds degrees from Bowdoin College, the Fletcher School of Law and Diplomacy, and the University of Melbourne and speaks French, Spanish and Swahili fluently. ■

The UAE 123 Agreement: A Model for the Region?

The energy-rich countries of the Middle East often have a hard time making a case for civilian nuclear power. In Iran, “peaceful purposes” are a thin veil for what many experts conclude are nuclear weapons ambitions, and the Gulf’s vast hydrocarbon reserves make any call for nuclear power appear illogical. Ambassador Thomas Pickering argues that in this context, the recent 123 agreement for civilian nuclear cooperation between the United Arab Emirates and the United States is a landmark achievement for U.S. efforts at nonproliferation in the Middle East, a boon for its strategic interests in the region, and a model for cooperation with other countries seeking a civilian nuclear capability. Pickering [offered his assessment](#) at a Gulf Roundtable hosted by the CSIS Middle East Program on October 23, 2009.

Leading up to the 123 agreement, the UAE worked hard to justify its desire for civil nuclear power. It effectively argued that gas reserves, solar and wind energy are insufficient to fulfill the country’s additional power-generating needs, and that liquid fuels carry more benefits as raw materials for petroleum manufacture than as power sources and pollutants. The UAE’s shouldering of this burden of proof lent the 123 agreement legitimacy and grounded it in mutual trust and understanding between the UAE and the United States.

The 123 agreement itself marks a strategic success for the United States, as it establishes total UAE compliance with the pillars of U.S. nuclear policy. The agreement subjects the UAE to the highest standards of resisting proliferation and forgoing enrichment and reprocessing; allows U.S. intervention in removing special fissionable material from the UAE if its operation of the agreement comes into question; subjects transfers of materials and technology to a separate agreement process over and above the 123 agreement itself; prohibits transfers of special nuclear material except in small amounts for discrete purposes; and establishes full application of IAEA safeguards to the UAE. Even if the agreement is terminated, these clauses will continue in force. The UAE’s cooperation in building this robust framework sets a precedent not only for the behavior of other nations, but also for the primacy of U.S. security priorities in

THE GULF ROUNDTABLE SERIES

The CSIS Middle East Program launched the Gulf Roundtable in April 2007 to examine the strategic importance of a broad range of social, political, and economic trends in the Gulf region and to identify opportunities for constructive U.S. engagement. The roundtable defines the Gulf as the United Arab Emirates, Saudi Arabia, Oman, Qatar, Bahrain, Kuwait, Iraq, and Iran. The roundtable convenes monthly, assembling a diverse group of regional experts, policymakers, academics, and business leaders seeking to build a greater understanding of the complexities of the region. Topics for discussion include the role of Islamist movements in politics, the war on terror, democratization and the limits of civil society, the strategic importance of Gulf energy, media trends, trade liberalization, and prospects for greater regional integration. ■

establishing a tightly controlled framework for civilian nuclear cooperation in the Middle East.

Pickering admitted that the strengths of the UAE agreement, and its success in enshrining U.S. demands, may create difficulties persuading other Middle Eastern nations to accept the same terms. But he maintained that the United States should not waver: the onus remains on Middle Eastern countries to back up their demands for nuclear power with detailed, informed projections of their energy needs and the necessity of nuclear power in fulfilling them. While the United States will still have to contend with these regimes' idiosyncratic responses to U.S. demands, on a strategic level the UAE 123 agreement's stringency sets an excellent tone for future U.S. negotiations on civil nuclear power in the Middle East.

Additionally, some might argue that the UAE 123 agreement actually sows the seeds of its own irrelevance, for it grants the UAE a sort of most favored nation status in becoming party to subsequent nuclear agreements. If the United States were to permit Iran, for example, to enrich uranium, the UAE might feel emboldened to claim enrichment as a right—mooting the 123 agreement and making it even more difficult for the United States to quell the nuclear ambitions of Iran and prevent nuclear breakout in the Middle East. Pickering countered, however, that the 123 agreement's fundamental prohibition against enrichment is so intertwined with its provisions for nuclear power development that were the UAE to defy this prohibition, it would sacrifice the totality of political, economic, and strategic benefits that the agreement affords.

Instead, Pickering suggested, the UAE's most favored nation status will allow it to participate in any future agreement that reduces the costs and burdens of non-proliferation safeguards. Once the UAE has proved its bona fides under the current arrangement, and international standards for civil nuclear power development have been enhanced, the UAE 123 agreement can evolve into something just as beneficial to U.S. interests, but far more integrated into the international political economy of energy cooperation.

In discussing how to build this integrated framework, Pickering deemed the 123 agreement's stance on spent fuel reprocessing too lenient to be fail-safe. By permitting the UAE to send spent nuclear fuel to Great Britain and France for plutonium separation with U.S. permission, the agreement sets a precedent for this technique as a legitimate means of dealing with spent

fuel—and leaves the nuclear fuel cycle open to intervention by a rogue Middle Eastern regime with ambitions to build a nuclear bomb. According to Pickering, reducing weapons-grade uranium to a lower grade and finding long-term ways to store it are better options for dealing with spent fuel and would ensure that attempts at proliferation do not disrupt the civilian nuclear power process.

On a broader level, Pickering noted that for civil nuclear power to spread in the Middle East without threatening regional security and U.S. national interests, pacts like the UAE 123 agreement must be accompanied by a multilateral system that regulates the civilian nuclear fuel cycle. Such a framework would step up IAEA inspections and incentivize fuel transfers free of political or commercial intervention. Pickering suggested that a country with no direct role in the fuel cycle could act as a strong, disinterested watchdog in this regard.

On the whole, Pickering stated that his objections and points of clarification to the UAE 123 agreement “don't outweigh what the [U.S.] administration has achieved” in concluding the pact. By championing the U.S. approach to non-proliferation, the 123 agreement “serves as a very good model” for future nuclear agreements. If the Obama administration is keen to advance the cause of peaceful nuclear power in the Middle East—and the “great publicity that has been attending the [123] agreement” suggests that it is—the UAE 123 agreement is a strong guide for it to use in formulating U.S. strategy and policy. ■

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