

No. 8871

**INTERNATIONAL ATOMIC ENERGY AGENCY,
SPAIN and UNITED STATES OF AMERICA**

**Contract for the lease of enriched uranium for a research
reactor in Spain. Signed at Vienna, on 23 June 1967**

Official text: English.

Registered by the International Atomic Energy Agency on 22 December 1967.

**AGENCE INTERNATIONALE DE L'ÉNERGIE ATOMIQUE,
ESPAGNE et ÉTATS-UNIS D'AMÉRIQUE**

**Contrat pour la location d'uranium enrichi destiné à un
réacteur de recherche en Espagne. Signé à Vienne, le
23 juin 1967**

Texte officiel anglais.

Enregistré par l'Agence internationale de l'énergie atomique le 22 décembre 1967.

No. 8871. CONTRACT¹ BETWEEN INTERNATIONAL ATOMIC ENERGY AGENCY, SPAIN AND THE UNITED STATES OF AMERICA FOR THE LEASE OF ENRICHED URANIUM FOR A RESEARCH REACTOR IN SPAIN. SIGNED AT VIENNA, ON 23 JUNE 1967

WHEREAS the Government of Spain (hereinafter called "Spain"), desiring to establish a research project for peaceful purposes consisting of the CORAL-I reactor (hereinafter called the "reactor"), has requested the assistance of the International Atomic Energy Agency (hereinafter called the "Agency") in securing the special fissionable material necessary for this purpose;

WHEREAS the Board of Governors of the Agency approved the project on 16 June 1967 and the Agency and Spain are this day concluding an agreement (hereinafter called the "Project Agreement")² for the provision by the Agency of the assistance requested by Spain;

WHEREAS the Agency and the Government of the United States of America (hereinafter called the "United States") on 11 May 1959 concluded an Agreement for Co-operation (hereinafter called the "Co-operation Agreement"),³ under which the United States undertook to make available to the Agency pursuant to its Statute⁴ certain quantities of special fissionable material; and

WHEREAS Spain has made arrangements with a manufacturer in the Federal Republic of Germany (hereinafter called the "Manufacturer") for the fabrication of enriched uranium into fuel elements for the reactor;

NOW, THEREFORE, the Agency, Spain and the United States Atomic Energy Commission (hereinafter called the "Commission"), acting on behalf of the United States, hereby agree as follows :

Article I

DEFINITIONS

Section 1. As used in this Contract :

(a) The term "base charge" means the United States dollar amount per unit of enriched uranium in standard form and specification in effect as of the

¹ Came into force on 23 June 1967, upon signature, in accordance with article XXII.

² See p. 169 of this volume.

³ United Nations, *Treaty Series*, Vol. 339, p. 359.

⁴ United Nations, *Treaty Series*, Vol. 276, p. 3, and Vol. 471, p. 334.

time any particular transaction under this Contract takes place, as set forth in schedules published by the Commission in the United States Federal Register from time to time. The base charges in effect on the date of entry into force of this Contract are :

<i>Percentage Enrichment by Weight in the Isotope ^{235}U of the Enriched Uranium</i>	<i>Price US\$/g of Enriched Uranium in the Form of Uranium Hexafluoride</i>
90	10.808
92	11.061
93	11.188
94	11.315

(b) The term " Commission facility " means a laboratory, plant, office, or other establishment operated by or on behalf of the Commission.

(c) The term " Commission's established specifications " means the specifications for purity and other physical or chemical properties of enriched uranium, as published by the Commission in the United States Federal Register from time to time.

(d) The term " value " means the United States dollar amount determined by multiplying the applicable Commission base charge by the number of units, or fractions thereof, of enriched uranium involved, whether or not such material is in standard form and specification.

(e) The term " established Commission pricing policy " means any applicable price or charge in United States dollars in effect at the time any particular transaction under this Contract takes place (i) published by the Commission in the United States Federal Register, or (ii) in the absence of such a published figure, determined in accordance with the Commission's pricing policies. A statement of such pricing policies will be furnished upon request. The Commission's published prices and charges, as well as its pricing policies, may be amended from time to time.

(f) The term " standard form " means the chemical form of enriched uranium, as published by the Commission in the United States Federal Register from time to time.

Article II

LEASE OF FUEL MATERIAL

Section 2. Subject to the provisions of the Co-operation Agreement, the Commission shall lease to the Agency and the Agency shall lease from the Commission approximately 11.56 kilograms of uranium enriched to approximately 90 per cent by weight in the isotope uranium-235 (hereinafter called the " leased fuel material "), the precise quantities to be determined pursuant to Section 7(b).

Section 3. The Agency shall lease to Spain and Spain shall lease from the Agency the leased fuel material.

Article III

TERM OF LEASE, TERMINATION

Section 4. The lease specified in Section 2 shall commence at the time when Spain, acting on behalf of the Agency, takes delivery of the leased fuel material pursuant to Article IV. It shall terminate on 31 December 1970, provided that this lease may be extended by mutual agreement of the parties.

Section 5. Any party may specify an earlier termination date by giving sixty days' notice to the other parties if any obligation of the Co-operation Agreement or of this Contract has not been fulfilled by the other parties thereto. The Agency may specify such earlier termination date :

- (i) Under the conditions specified in Article XII.A.7 and XII.C of its Statute; or
- (ii) After consultation with or at the request of Spain, in case of any increase, pursuant to Section 12, in the Base or Use Charges above the rates indicated in Sections 1(a) and 10 respectively.

Section 6. The rights and obligations under this Contract, insofar as not specifically restricted to the period of the lease, shall commence on the entry into force of this Contract and shall, to the extent unfulfilled, extend beyond the termination of the lease.

Article IV

DELIVERY OF THE LEASED MATERIAL

Section 7. The conditions of the delivery of the leased fuel material shall be as follows :

(a) In accordance with supply arrangements between the Commission and the European Atomic Energy Community, the Commission shall make available enriched uranium in the standard form meeting the Commission's established specifications as of the date of this Contract for fabrication by the Manufacturer of the leased fuel material.

(b) Upon completion of the fabrication, Spain shall cause the Manufacturer to submit to the Agency and to the Commission a written certification of the Manufacturer's determination of the enrichment by weight in the isotope uranium-235 and of the quantity of enriched uranium in the leased fuel material. This determination may be checked by the Agency, by Spain, and by the Com-

mission by means of any review or analysis that any of them may deem appropriate, and shall be approved or revised by unanimous agreement of the parties prior to transfer from the Manufacturer. The quantity and enrichment shown in the agreed determination shall be considered to be the quantity and enrichment of the leased fuel material actually transferred under Article II and shall be used for the calculation of the payments required to be made pursuant to Articles V and VI. Concurrently with the submission of the Manufacturer's determination, Spain, acting on behalf of the Agency, and in consultation with the Manufacturer, shall specify in writing to the Commission a date and site for the transfer of the leased fuel material from the Manufacturer.

(c) Upon the unanimous agreement of the Agency, Spain and the Commission on the quantity and enrichment of the isotope uranium-235 in the leased fuel material, the Commission shall authorize the transfer of the leased fuel material from the Manufacturer to Spain acting on behalf of the Agency. Thereupon Spain shall, on behalf of the Agency and upon compliance with paragraph 3 of Annex B to the Project Agreement, be responsible for transportation of the leased fuel material from the transfer site and for delivering, storing and physically handling such material, and shall pay all costs in connection therewith, including the cost of containers and packaging. At the time of taking possession of the leased fuel material at the transfer site, Spain shall forward a written receipt therefor to the Agency and to the Commission on behalf of the Agency. Transfer of the leased fuel material from the Manufacturer to Spain, acting on behalf of the Agency, shall constitute delivery of the leased fuel material under this lease.

Section 8. Except as otherwise provided herein, title to the leased fuel material shall at all times be vested in the United States.

Article V

PAYMENT FOR MATERIAL LOST AND CONSUMED

Section 9. (a) The Agency shall pay the Commission and Spain shall pay the Agency for any loss or consumption of the leased fuel material, whether or not such loss or consumption is due to the fault or neglect of the Agency or Spain, or any other cause occurring from the time of delivery of such material hereunder and until such material has been returned to the Commission as provided herein.

(b) Spain shall make reports to the Agency and the Commission, on forms as prescribed by the Commission, to accurately reflect all losses or consumption of leased fuel material as then known to Spain. In reporting leased fuel material as lost or consumed, Spain shall make reasonable effort to accurately fix the time of such loss or consumption on the basis of a specific occurrence or in accordance with accepted procedures and methods of calculating loss or consumption.