
BREXIT and the EURATOM

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BREXATOM – Into the abyss?

Many comments on Brexit are necessarily speculative



Implications for UK nuclear sector

- **Nuclear common market**
- **Safeguards and NCAs**
- **Supply of ore and special fissile materials**



Nuclear Common Market

- Chapter 9: Articles 92 – 99 fundamental freedoms
- Impact on trade?
- Impact on new nuclear projects?



Safeguards and NCAs

- **End of Euratom safeguards – implications**
- **What does this mean for the UK?**
- **Without robust safeguards in place NPT may prevent or at least delay conclusion of NCAs**
- **US, Australia?**



Supplies of ores, source materials and special fissile materials

- **The UK as a ‘third state’**
- **UK free of common supply policy when contracting with other ‘third states’**
- **Existing contractual arrangements may have to be modified**



Implications for EURATOM Member States

- **JET and MAST?**
- **Loss of influential advocate for nuclear**
- **Weakened FORATOM**
- **Trigger for reform?**



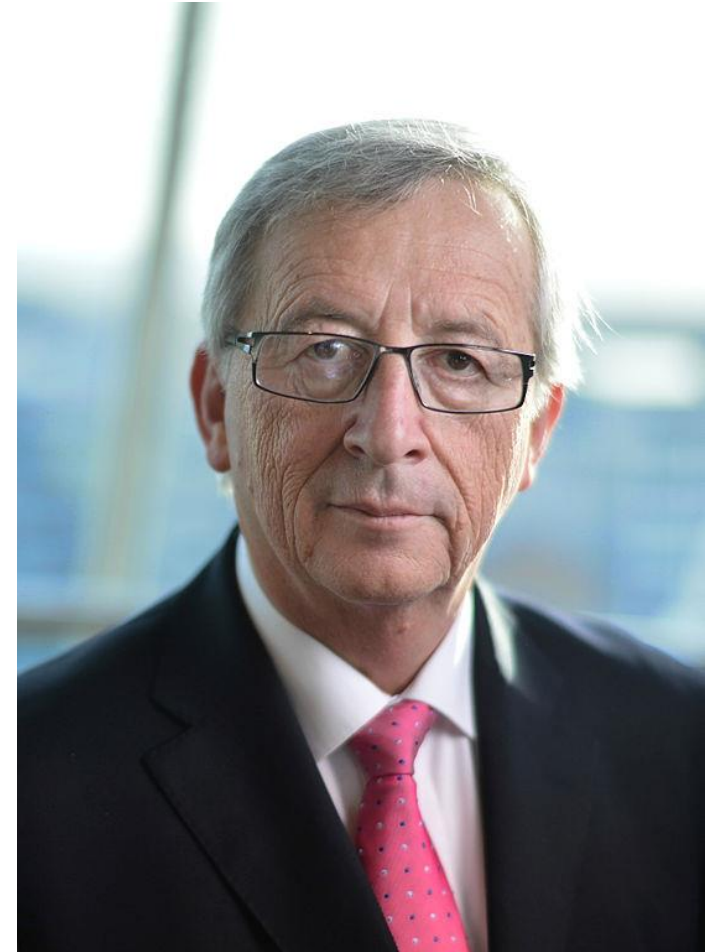
What has been said?

UK Government publication on exiting from, and new partnership with, the EU:

“we want to collaborate with our EU partners on matters relating to science and research, and nuclear energy is a key part of this. So our precise relationship with EURATOM, and the means by which we co-operate on nuclear matters, will be a matter for the negotiations – but it is an important priority for us – the nuclear industry remains of key strategic importance to the UK and leaving EURATOM does not affect our clear aim of seeking to maintain close and effective arrangements for civil nuclear co-operation, safeguards, safety and trade with Europe and our international partners.”

But then someone came to dinner

- Mrs May is ‘deluding herself’ and ‘living in another galaxy’
- “*The more I talk to them (the UK government) the more sceptical I become*”
- The chances of any sort of deal is 50/50 at best
- Risk that politics will cloud business interests on both sides



Avoiding the Euratom cliff-edge

“If it is not possible to come to a conclusion involving some sort of relationship with Euratom, we will no doubt be able to reach one with the IAEA...”

Secretary of State for Exiting the European Union



What are the options?

- **Exit in March 2019**
- **‘Associate Member status’**
- **Ongoing membership as a ‘transitional’ arrangement or ‘implementation’**
- **House of Commons BEIS Committee paper on leaving the EU suggests delayed departure from EURATOM or at least negotiation of transitional arrangements**



‘Hard’ exit in March 2019

- **“*Brexit means Brexit*”**
- **What would it mean:**
 - new safeguarding arrangements
 - replacement voluntary offer safeguards agreement
 - replacement of NCAs contingent on Euratom safeguards
- **23 months and counting**



‘Associated Member’ status

- **Financial contribution**
- **Other conditions**
- **Beyond R&D?**



Ongoing membership

- **Financial contribution**
- **Other conditions**
- **Practicalities**
- **Political ramifications**



What does 'no deal' look like?

- ***“no deal for Britain is better than a bad deal for Britain”***
- **Is that true for the nuclear sector?**

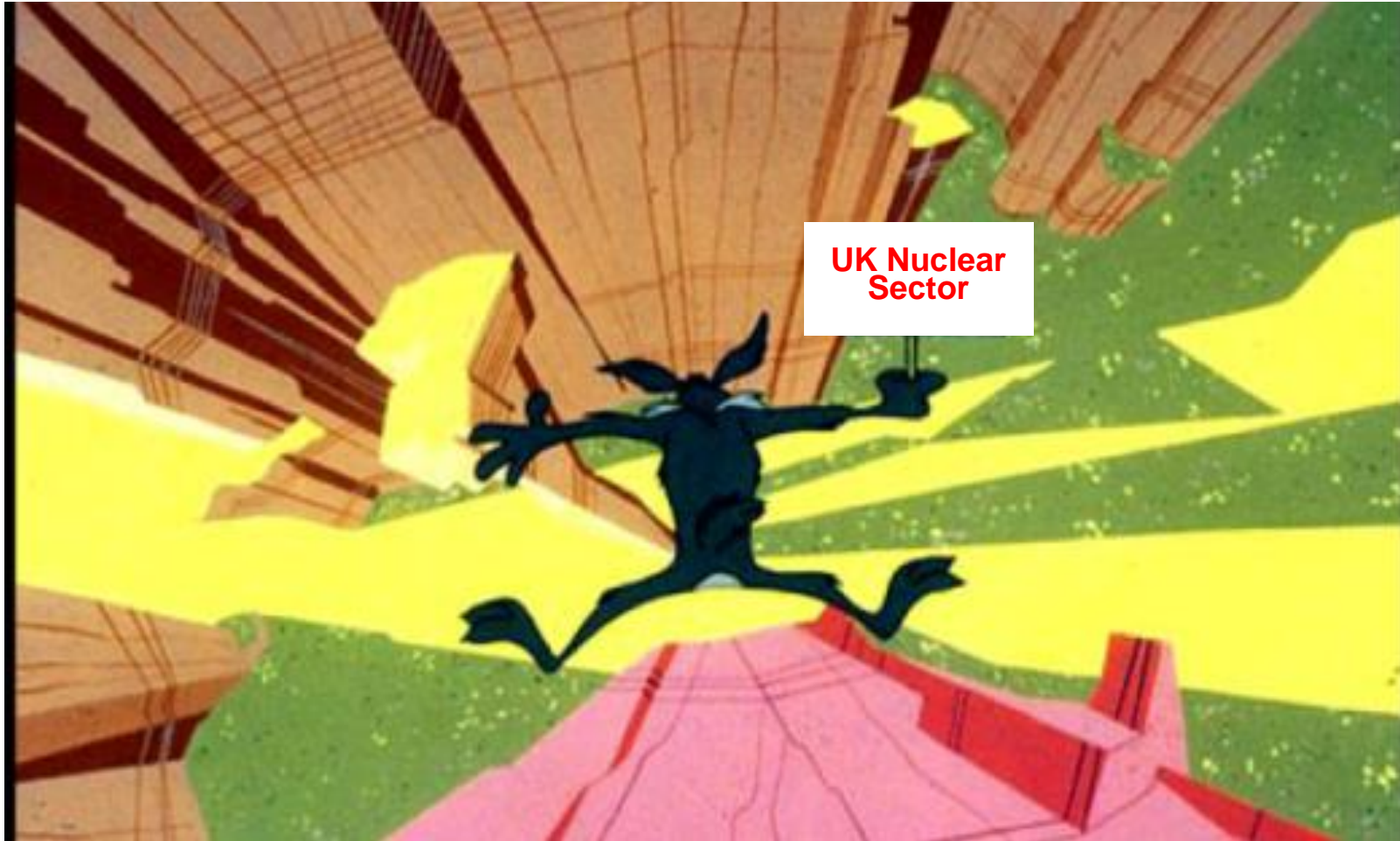


‘Arrangements with the IAEA’

- **Replacement voluntary offer safeguards agreement**
- **Safeguards inspection regime?**
- **Approval of new UK regime**



Lets be smarter than Wile E. Coyote





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