

US-UAE Business Council usuaebusiness.org

July 6th, 2009

The Honorable Howard Berman Chairman Committee on Foreign Affairs U.S. House of Representatives Washington, DC 20515 The Honorable Ileana Ros-Lehtinen Ranking Member Committee on Foreign Affairs U.S. House of Representatives Washington, DC 20515

Dear Chairman Berman and Ranking Member Ros-Lehtinen:

On behalf of the U.S.-U.A.E. Business Council, I am writing to express the strong support for the U.S.-U.A.E. nuclear energy cooperation agreement. As you know, our U.S. company members have been meeting with you and your colleagues over the last few months to share their experiences with the U.A.E. and support for this agreement.

Our members have been gratified to see the increasing awareness of the U.A.E. as an important U.S. friend and ally in a volatile region, as well as a deepening understanding of the benefits of this agreement to U.S. business and U.S. nonproliferation and security goals. Members have been particularly interested in these benefits to the United States:

**The U.S.-U.A.E. agreement enhances an already deep relationship.** Since the 1994 Defense Cooperation Agreement, the two countries have had close ties in the military realm. Today, the U.A.E. hosts more U.S. navy vessels and personnel than any port outside the United States.

In the last decade, however, the links between the United States and the U.A.E. have expanded significantly. The U.A.E. is the largest export market in the Middle East for US goods and services, with the U.A.E. buying goods from every one of our 50 states. And this doesn't capture the partnerships with U.S. institutions like Cleveland Clinic, Michigan State, NYU and other nonprofit groups.

Finally, a new Zogby poll found that U.A.E. citizens and its Arab residents are the most favorable to the United States than any other Arab country. These favorability numbers increased an astonishing 22 percent with the current administration.

**The U.S.-U.A.E. agreement creates enormous opportunities for U.S. companies and jobs.** The U.A.E. program will generate contracts for services, construction, equipment, and long-term operations that could exceed \$40 billion. With U.S. company involvement, these contracts create U.S. jobs, even though the plants are in



the U.A.E. The nuclear power plants that Westinghouse and GE are building overseas have helped create and support over 10,000 U.S. jobs—with even more being generated by sub-contractors like Chicago Bath & Iron or SPX Corp in North Carolina, a manufacturer of specialized parts.

And as you know, many U.S. companies are already involved in the U.A.E. civilian nuclear energy program, including CH2MHill (Colorado), Rizzo (Pennsylvania) and Thorium Power (Virginia).

**The United States should be part of this historic program.** The U.S.-U.A.E. nuclear energy cooperation agreement is the most forward-leaning of any of the 123 agreements—or counterparts in other countries. The commitments relating to nonproliferation are significant and could positively impact the programs of a number of other countries also considering nuclear energy for the first time. U.S. technology, U.S. safety standards and U.S. involvement in monitoring should be integral to this global model.

I hope that your upcoming Committee hearing will ensure that more members of Congress—and more Americans—become aware of the strong relations between the United States and the United Arab Emirates, as well as the wide range of support for this agreement and the U.A.E. peaceful nuclear energy model. I am attaching a background document with voices of support.

Thank you for your consideration of this important and historic agreement.

Sincerely.

Danny Sebright President

Attachment



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# Key Validators for the U.S.-U.A.E. 123 Agreement

"Delaying the 123 agreement with the U.A.E. would weaken the strong political signal that is sent by offering nuclear cooperation to a country that has accepted all of the nonproliferation conditions asked of it and that can make a legitimate economic case for nuclear power. If a state that forswears any interest in weapons-usable technology and accepts full transparency is thereby able to hasten its prospects for nuclear energy development, this can be a powerful lesson for others and serve as an important regional precedent, in stark contrast with Iran. The Iranian people might well ask their leaders why they pursue policies that lead to increasing isolation and economic sanctions while their neighbors can benefit from peaceful nuclear cooperation with the world."

#### Mark Fitzpatrick,

### "Drawing a Bright Redline: Forestalling Nuclear Proliferation in the Middle East" Arms Control Today, January/February 2009

"The US-U.A.E. defense and security partnership is extensive and deep in a number of areas critical to mutual interests in the region and around the world. In a volatile and dangerous region, the U.A.E. is a friend and a partner in pursuing stability and a path of moderation. The strength of the proposed U.A.E. 123 Agreement is due, in large part, to the forward-looking policies already adopted by the U.A.E., as building blocks for its peaceful nuclear energy program. The proposed US-U.A.E. 123 Agreement will materially advance important U.S. interests and set an important example in contrast to the one being pursued by extremists."

# William S. Cohen, CEO and Chairman of The Cohen Group and former Secretary of Defense and US Senator

"This is a strong nuclear cooperation agreement and will provide the basis for U.S. companies supplying equipment and services to the nuclear power industry to pursue large commercial opportunities in the U.A.E. ... We and our member companies were most impressed with the seriousness with which the U.A.E. is approaching the important issue of nuclear power in all its aspects, including the non-proliferation and environmental commitments."

#### John Engler, President of the National Association of Manufacturers

"The United States and the U.A.E. are both committed to peaceful nuclear programs and work in concert with other nations to discourage the proliferation of nuclear weapons. The U.A.E.'s commitment to operational transparency, participation in the



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full range of international nuclear non-proliferation cooperation arrangements, the creation of an independent nuclear regulatory authority and the renouncing of any intention to develop a domestic enrichment and reprocessing capability serves as model for other nations to adopt responsible practices that enhance global nuclear non-proliferation goals."

## Bill Reinsch, President of the National Foreign Trade Council

"We are very grateful for the important leadership of the U.A.E. in showing the world how nuclear power can be advanced safely, without contributing to nuclear proliferation dangers. The example that the U.A.E. has shown as a state that intends to develop nuclear power based on international sources of fuel services is especially powerful. An IAEA-controlled fuel bank is essential to reducing global nuclear dangers because the same uranium enrichment technology that is used to make nuclear reactor fuel can also be used to make material for a nuclear weapon."

#### Senator Sam Nunn, Co-Chairman, Nuclear Threat Initiative

"Two things on the U.A.E. could be a model. One is the 123 Agreement that is, I think, very robust. And then the other is the fact that they are doing it very logical, step-wise and they understand that it's not a one-year program, it will take years to get their laws, regulations, their people trained and implemented. So they understand the timeline and they also have the financial resources to do it right. So I think it can be a good model. ...I've encouraged Bill Travers [former NRC official, now working with the U.A.E.] to keep very good, detailed notes because ... this can serve as a model for other countries."

#### Dale Klein, Chairman, U.S. Nuclear Regulatory Commission