



International Atomic Energy Agency

**INFORMATION CIRCULAR**

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**THE TEXTS OF THE INSTRUMENTS CONNECTED WITH THE AGENCY'S  
ASSISTANCE TO YUGOSLAVIA IN ESTABLISHING A RESEARCH  
REACTOR PROJECT**

**Second Supply Agreement**

1. As a sequel to the assistance which the Agency provided to the Government of Yugoslavia in establishing a research reactor project [1], a second Supply Agreement has been concluded between the Agency and the Governments of the United States of America and Yugoslavia. The Agreement entered into force on 20 February 1968, and the text [2] is reproduced herein for the information of all Members.

[1] Pursuant to the agreements reproduced in document INFCIRC/32.

[2] The footnotes to the text have been added in the present information circular.

## SECOND SUPPLY AGREEMENT

### CONTRACT FOR THE TRANSFER OF ENRICHED URANIUM FOR A RESEARCH REACTOR IN YUGOSLAVIA

WHEREAS the International Atomic Energy Agency (hereinafter called the "Agency") and the Government of the Federal People's Republic of Yugoslavia (hereinafter called "Yugoslavia") on 4 October 1961 signed an Agreement for assistance by the Agency to Yugoslavia in establishing a training and research project for peaceful purposes relating to a Triga Mark II reactor operated by the Jozef Stefan Nuclear Institute at Ljubljana, Yugoslavia (hereinafter called the "Project Agreement") [3];

WHEREAS the Agency, Yugoslavia and the United States Atomic Energy Commission (hereinafter called the "Commission"), acting on behalf of the Government of the United States of America (hereinafter called the "United States"), on 4 October 1961 signed a Contract for the Transfer of Enriched Uranium (hereinafter called the "First Supply Agreement") [4] for the reactor, pursuant to which a supply of enriched uranium was delivered to Yugoslavia;

WHEREAS the maximum power level, of the reactor was raised from 100 to 250 Kilowatt during 1964;

WHEREAS Yugoslavia, in connection with the Project Agreement, has requested the assistance of the Agency in securing from the United States an additional supply of enriched uranium;

WHEREAS the Board of Governors of the Agency approved the additional assistance for the project on 15 December 1967;

WHEREAS the Agency and the United States on 11 May 1959 concluded an Agreement for Co-operation (hereinafter called the "Co-operation Agreement") [5], under which the United States undertook to make available to the Agency pursuant to the Statute of the Agency certain quantities of special fissionable material; and

WHEREAS Yugoslavia has made arrangements with a manufacturer in the United States of America for the fabrication of enriched uranium into additional fuel elements for the reactor;

NOW THEREFORE the Agency, the Commission and Yugoslavia hereby agree as follows:

## ARTICLE I

### Transfer of Enriched Uranium

**Section 1.** Subject to the provisions of the Co-operation Agreement, the Commission shall transfer to the Agency and the Agency shall accept from the Commission, before the end of the calendar year 1968, approximately 764 grams of uranium enriched to approximately 20% by weight in the isotope uranium-235 (hereinafter called the "fuel material"), the precise quantities to be determined pursuant to Section 3, contained in four fuel elements for the 250-kilowatt Triga Mark II research reactor (hereinafter called the "reactor").

**Section 2.** The Agency shall transfer to Yugoslavia and Yugoslavia shall accept from the Agency the fuel material.

**Section 3.** The conditions specified in sub-paragraphs 3(a), 3(b), 3(e) and 3(f) of Article I of the First Supply Agreement shall apply, mutatis mutandis, to the transfers mentioned in Sections 1 and 2.

[3] INFCIRC/32, part II.

[4] Ibid., part I, as modified by Amendment No. 1 (INFCIRC/32/Add.1).

[5] INFCIRC/5, part III.

## ARTICLE II

### Payment

Section 4. The Agency shall send an invoice to Yugoslavia at or subsequent to the time the parties have agreed with respect to the determination pursuant to sub-paragraph 3(b) of Article I of the First Supply Agreement referred to in Section 3. Within thirty days from the date of this invoice Yugoslavia shall pay to the Agency in United States currency a sum equal to that which the Agency will be obliged to pay to the Commission pursuant to Section 5. If the Agency does not receive payment within thirty days after the date of invoice, it is entitled to an additional charge at the rate of six per cent per annum on the unpaid amount.

Section 5. The Commission shall send an invoice to the Agency at or subsequent to the time the Commission transfers possession pursuant to sub-paragraph 3(e) of Article I of the First Supply Agreement referred to in Section 3. Within sixty days from the date of this invoice the Agency shall pay for the fuel material as per the schedule of charges for enriched uranium published in the United States Federal Register and in effect on the date of transfer of possession of the material, provided, however, that in the event said charges in effect on the date of transfer of possession of the material should exceed the charges set forth in the Annex to this Contract, which are the charges in effect on the date of the entry into force of this Contract pursuant to Section 9, the Agency may, and at the request of Yugoslavia shall, cancel this Contract without incurring obligations of any kind thereunder. Payment shall be made in United States currency to the Commission or its designated agent or contractor. If payment is not received within sixty days after the date of invoice, the Commission shall be entitled to an additional charge at the rate of six per cent per annum on the unpaid amount.

Section 6. In order to assist and encourage research on peaceful uses or for medical therapy, the Commission has in each calendar year offered to distribute to the Agency, free of charge, special fissionable material of a value of up to US\$50 000 at the time of transfer, to be supplied from the amounts specified in Article II.A of the Co-operation Agreement. If the Commission finds the project to which this Contract relates eligible, it shall decide by the end of the calendar year in which this Contract is concluded on the extent, if any, to which the project shall benefit by the gift offer, and shall promptly notify the Agency and Yugoslavia of that decision. The payments provided in Sections 4 and 5 shall be reduced by the value of any free material thus made available.

## ARTICLE III

### General Provisions

Section 7. Articles III, IV and V of the First Supply Agreement shall apply, mutatis mutandis, to the transfers specified in Sections 1 and 2.

## ARTICLE IV

### Amendment of Project Agreement

Section 8. It is understood by the Agency and Yugoslavia that Section 3 of Article II of the Project Agreement is hereby amended to include the material covered by this Contract.

## ARTICLE V

### Entry into force

Section 9. This Contract shall enter into force upon signature by or for the Director General of the Agency and by the authorized representatives of the Commission and Yugoslavia.

DONE in triplicate in the English language.

For the INTERNATIONAL ATOMIC ENERGY AGENCY:

(signed) Sigvard Eklund                      Vienna                      20 February 1968

For the GOVERNMENT OF THE FEDERAL PEOPLE'S REPUBLIC OF YUGOSLAVIA:

(signed) Vejin R. Guzina                      Belgrade                      12 February 1968

For the UNITED STATES ATOMIC ENERGY COMMISSION on behalf of the  
GOVERNMENT OF THE UNITED STATES OF AMERICA:

(signed) Verne B. Lewis                      Vienna                      31 January 1968

## ANNEX

### United States Atomic Energy Commission Charges for Enriched Uranium

The rates of charges for enriched uranium, as provided for in Section 5 of this Contract, are as follows:

Percentage Enrichment by Weight in the Isotope $^{235}\text{U}$ of the Enriched Uranium	Price US\$/g of Enriched Uranium
18	1.876
20	2.098
25	2.656