

ARTICLES

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'Chinese Checkers' at the Nuclear Suppliers Group

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The Nuclear Suppliers Group (NSG) held its annual plenary session in Seattle on 21-22 June 2012. As in the previous two plenary meetings, the issue of Indian membership to the NSG and the Pakistani-Chinese claim of supply of two additional nuclear power reactors to Pakistan (Chasma-III and IV) under the ambit of the 1991 bilateral agreement came up for discussion. However, given the internal differences, the NSG was unable to reach a consensus on either issue. This is not unusual as the decision that the NSG takes on both issues will have great bearing on its future course.

Following the June 2012 plenary meeting, two articles authored by former Pakistani diplomats - Asif Ezdi and Maleeha Lodhi - appeared in the Pakistani newspaper, The News, which described the issues as being "two sides of the same coin." National interest seems to have inflicted the Pakistani diplomats with selective amnesia. One could argue - like the Pakistani diplomats do - that the US decision to offer the nuclear deal to India was driven by strategic concerns.

However, it would be prudent to remember that despite American backing, the deal would not have gone through, but for India's clean non-proliferation record. In a June 2011 interview to Der Spiegel, AQ Khan clearly stated that the Pakistan Army knew of his nuclear 'Wal Mart', thereby depriving Islamabad of the 'fig leaf' of an argument that it remained in the dark about the Khan proliferation network. Thus, despite Islamabad crying hoarse, its proliferation of nuclear and missile technology to Iran, North Korea and Libya will come in the way of its efforts of securing a similar deal. What the Pakistani authors bemoan is the de-hyphenation of India and Pakistan by the United States, which the Indo-US nuclear deal signifies.

While the issue of India's membership of the NSG can be seen as the next logical step, and has received support from the US, France, Russia among others, the Chinese-Pakistani claim of 'grandfathering' the supply of Chasma-III and IV is a much more complex issue.

This claim is based on the bilateral agreement signed between China and Pakistan in 1991. However, when China joined the NSG in 2004, it had pledged not to supply any additional nuclear technology to Pakistan other than what had already been committed. At that time, China had disclosed that the 'grandfather' clause would apply only to life-time support and fuel supply for the safeguarded Chasma-I and II nuclear power plants, supply of heavy water and operational safety service to the safeguarded Karachi nuclear power plant, and the supply of fuel and operational safety services to the two safeguarded research reactors at PINSTECH. This Chinese assertion was publicly reiterated by the then US Secretary of State, Condoleezza Rice in April 2006.

Thus, the Chinese claim - made public in early 2010 - of 'grandfathering' Chasma-III and IV contravenes its earlier commitment made to the NSG. Under the current NSG guidelines, Pakistan being a state outside the NPT would have to commit to place all its current and future nuclear facilities under safeguards (full-scope safeguards) as a condition for the supply. The claim of grandfathering the transfer of nuclear reactors is can be seen as an attempt to sidestep this requirement.

The problem with this claim is two-fold. Firstly, the claim of grandfathering cannot be used in perpetuity. China cannot keep expanding the scope of cooperation which it had listed out in 2004. Secondly, in 2006, the group agreed by consensus that any future claim made by a member that specific exports should be considered under the grandfather clause would have to be backed up with documentary evidence, such as commercial contracts with agencies in the recipient state. The demand for clarifications from Beijing by the NSG members should be seen in this context.

As Mark Hibbs states, Beijing in mid-2011 informed the NSG that in 2004 it had appraised the IAEA of its intended future exports of nuclear reactors to Pakistan as part of an expanded declaration of its nuclear activities under the Additional Protocol. This claim cannot be verified because communication between the IAEA and the member states regarding the implementation of the Additional Protocol are confidential.

Thus, the NSG is faced with a Hobson's choice. It can either choose to let the current Chinese-Pakistani claim be, in the hope that it would not be repeated in the future. However, as reports indicate, plans already seem afoot for the transfer of two additional nuclear power reactors at Karachi by China. If China claims - as is suspected it will - that these too are grandfathered under the ambit of the 1991 agreement, Beijing would in essence be throwing down the gauntlet to the NSG. Beijing could be

doing this as it possibly believes that the groups' members would not like to push it to the brink, as it would only harm the NSG's credibility. However, it is possible that since adherence to NSG Guidelines are voluntary, China is trying to test how far it can go before reaching break-point. In any case, the NSG will have to confront the challenge posed by Beijing's supply of power reactors to Pakistan, especially since it is inconsistent with China's past commitments to the NSG.

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