

## Letter to Congressional Leaders on Blocking Property of the Government of the Russian Federation Relating to the Disposition of Highly Enriched Uranium Extracted From Nuclear Weapons

*June 25, 2012*

*Dear Mr. Speaker: (Dear Mr. President:)*

Pursuant to section 204(b) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(b), I hereby report that I have exercised my authority to declare a national emergency to deal with the threat posed to the United States by the risk of nuclear proliferation created by the accumulation in the Russian Federation of a large volume of weapons-usable fissile material.

In Executive Order 13159 of June 21, 2000, the President found that this same risk constituted an unusual and extraordinary threat to the national security and foreign policy of the United States and declared a national emergency to deal with that threat. The United States and the Russian Federation had entered into a series of agreements that provide for the conversion of highly enriched uranium (HEU) extracted from Russian nuclear weapons into low enriched uranium (LEU) for use in commercial nuclear reactors. There were concerns that payments due to the Russian Federation under these agreements may be subject to attachment, garnishment, or other judicial process, in the United States, which could put implementation of such agreements at risk. In Executive Order 13159, the President therefore ordered blocked all property and interests in property of the Government of the Russian Federation directly related to the implementation of the HEU Agreements so that it would be protected from the threat of attachment, garnishment, or other judicial process.

In the Executive Order I have issued today, I find that the risk of nuclear proliferation created by the accumulation in the Russian Federation of a large volume of weapons-usable fissile material continues to constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. I therefore declared a national emergency to address this threat and to continue

the blocking of all property and interests in property of the Government of the Russian Federation directly related to the implementation of the HEU Agreements.

A major national security goal of the United States is to ensure that fissile material removed from Russian nuclear weapons pursuant to various arms control and disarmament agreements is dedicated to peaceful uses, subject to transparency measures, and protected from diversion to activities of proliferation concern. The United States and the Russian Federation entered into an international agreement in February 1993 to deal with these issues as they relate to the disposition of HEU extracted from Russian nuclear weapons (the "HEU Agreement"). The HEU Agreement provides for 500 metric tons of HEU to be converted to LEU over a 20-year period. This is the equivalent of 20,000 nuclear warheads.

Additional agreements were put in place to effectuate the HEU Agreement, including agreements and contracts on transparency, on the appointment of executive agents to assist in implementing the agreements, and on the disposition of LEU delivered to the United States (collectively, the "HEU Agreements"). Under the HEU Agreements, the Russian Federation extracts HEU metal from nuclear weapons. That HEU is oxidized and blended down to LEU in the Russian Federation. The resulting LEU is shipped to the United States for fabrication into fuel for commercial reactors.

The HEU Agreements provide for the Russian Federation to receive money and uranium hexafluoride in payment for each shipment of LEU converted from the Russian nuclear weapons. The money and uranium hexafluoride are transferred to the Russian Federation executive agent in the United States.

The executive branch and the Congress have previously recognized and continue to recognize the threat posed to the United States national security from the risk of nuclear

proliferation created by the accumulation of weapons-usable fissile material in the Russian Federation. This threat is the basis for significant programs aimed at Cooperative Threat Reduction and at controlling excess fissile material. The HEU Agreements are essential tools to accomplish these overall national security goals. The Congress has repeatedly demonstrated support for these agreements.

Payments made to the Russian Federation pursuant to the HEU Agreements are integral to the operation of this key national security program. Uncertainty surrounding litigation and the possible attachment, garnishment, or other judicial process that could impede these payments could lead to a long-term suspension of the HEU Agreements, which creates the risk of nuclear proliferation. This is an unacceptable threat to the national security and foreign policy of the United States.

Accordingly, I have concluded that all property and interests in property of the Government of the Russian Federation directly related to the implementation of the HEU Agreements should remain protected from the threat of attachment, garnishment, or other judicial process. I have, therefore, exercised my authority and issued an Executive Order that provides:

- except to the extent provided in regulations, orders, directives, or licenses that may be issued pursuant to the order, or that were issued pursuant to Executive Order 13159 of June 21, 2000, all property and interests in property of the Government of the Russian Federation directly related to the implementation of the HEU Agreements that are in the United States, that hereafter come within the United States, or hereafter come within the possession or control of any United States persons, including any foreign branch, are blocked and may not be

transferred, paid, exported, withdrawn, or otherwise dealt in;

- unless licensed or authorized pursuant to the order, any attachment, judgment, decree, lien, execution, garnishment, or other judicial process is null and void with respect to any property or interest in property blocked pursuant to the order; and
- that all heads of departments and agencies of the United States Government shall continue to take all appropriate measures within their authority to further the full implementation of the HEU Agreements.

The effect of this Executive Order is limited to property that is directly related to the implementation of the HEU Agreements. Such property will be clearly defined by the regulations, orders, directives, or licenses that will be issued pursuant to this Executive Order. I have delegated to the Secretary of the Treasury, in consultation with the Secretary of State, the authority to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA as may be necessary to carry out the purposes of the order. All agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of the order.

I am enclosing a copy of the Executive Order I have issued.

Sincerely,

BARACK OBAMA

NOTE: Identical letters were sent to John A. Boehner, Speaker of the House of Representatives, and Joseph R. Biden, Jr., President of the Senate. The Executive order is listed in Appendix D at the end of this volume.