

The Agreed Framework at a Glance

Press Contacts: Daryl G. Kimball, Executive Director, at (202) 463-8270 x107 or dkimball@armscontrol.org;
Paul Kerr, Research Analyst, at (202) 463-8270 x102 or pkerr@armscontrol.org

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On October 21, 1994, the United States and North Korea signed an agreement—the Agreed Framework—calling upon Pyongyang to freeze operation and construction of nuclear reactors suspected of being part of a covert nuclear weapons program in exchange for two proliferation-resistant nuclear power reactors. The agreement also called upon the United States to supply North Korea with fuel oil pending construction of the reactors. An international consortium called the Korean Peninsula Energy Development Organization (KEDO) was formed to

implement the agreement.

The Agreed Framework ended an 18-month crisis during which North Korea announced its intention to withdraw from the nuclear Nonproliferation Treaty (NPT), under which North Korea committed not to develop nuclear weapons.

(See ACA's Chronology of U.S.-North Korean Nuclear and Missile Diplomacy at <http://www.armscontrol.org/factsheets/dprkchron.asp> for more information on U.S.-North Korean nuclear relations.)

Current Status

KEDO announced November 21, 2003 that it would suspend construction of the two light-water nuclear reactors in North Korea for one year beginning December 1. The suspension came in response to Pyongyang's failure to meet "the conditions necessary for continuing" the project, according to the KEDO announcement.

KEDO further stated that the project's future "will be assessed and decided by [its] Executive Board before the expiration of the suspension period." But a Department of State spokesperson said several days earlier that there is "no future for the project."

The most recent nuclear crisis began when Washington announced that Pyongyang admitted during an October 4, 2002 bilateral meeting to possessing a uranium-enrichment program, which could be used to build nuclear weapons and would violate North Korea's commitment to forgo the acquisition of such weapons. North Korea has denied that it said this. In response to the reported admission, KEDO suspended oil shipments to North Korea the next month. North Korea reacted December 12 by announcing that it would restart the nuclear facilities governed by the Agreed Framework. After a series of exchanges with the International Atomic Energy Agency (IAEA), IAEA inspectors left the country December 31 after Pyongyang expelled them. North Korea announced on January 10, 2003 that it was withdrawing from the NPT, effective the next day. Pyongyang's official status with the treaty remains ambiguous.

The construction of the future light-water reactors was far behind schedule. The first reactor was initially slated for completion in 2003 but was not likely to be operational until 2008 at the earliest. Numerous events—most notably North Korea's Taepo Dong-1 missile test-firing in 1998—strained relations between Washington and Pyongyang, resulting in the construction delays.

The United States and North Korea are currently engaged in six-party talks, which also include China, Japan, Russia, and South Korea, in an attempt to resolve the current crisis.

Terms of the Agreed Framework

Joint U.S.-North Korean Obligations:

- *The United States and North Korea committed to move toward normalizing economic and political relations, including by reducing barriers to investment, opening liaison offices, and ultimately exchanging ambassadors.*

The Clinton administration made some progress on fulfilling this aspect of the framework toward the end of its second term, most notably when then-Secretary of State Madeleine Albright visited Pyongyang in October 2000. Additionally, in June 2000, Washington eased longstanding sanctions against North Korea under the Trading with the Enemy Act, the Defense Production Act, and the Export Administration Act, clearing the way for increased trade, financial transactions, and investment. Pyongyang is still prohibited, however, from receiving U.S. exports of military and sensitive dual-use items and most related assistance.

- *Both sides commit not to nuclearize the Korean Peninsula. The United States must "provide formal assurances" not to threaten or use nuclear weapons against North Korea. Pyongyang is required to "consistently take steps" to implement the 1992 North-South Joint Declaration on the Denuclearization of the Korean Peninsula.*

The United States' most recent commitment to this obligation was in the October 12, 2000 Joint Communiqué between Washington and Pyongyang. The relevant portion reads: "The two sides stated that neither government would have hostile intent toward the other and confirmed the commitment of both governments to make every effort in the future to build a new relationship free from past enmity."

Bush administration officials have said several times that the United States has no intention of attacking North Korea. A January 7, 2003 joint statement from the United States, Japan, and South Korea reaffirmed this commitment in writing, stating that the United States "has no intention of invading" North Korea.

The Bush administration, however, has sent mixed signals about its intentions toward North Korea. Pyongyang argues that the United States has not lived up to its commitment because President George W. Bush called North Korea part of an "axis of evil" in January 2002. North Korea also accuses Washington of targeting North Korea for a "preemptive nuclear attack."

In September 2002, the Bush administration released a report which emphasizes pre-emptively attacking countries developing weapons of mass destruction. It explicitly mentions North Korea. In addition, a leaked version of the Bush administration's January 2002 classified Nuclear Posture Review lists North Korea as a country against which the United States should be prepared to use nuclear weapons, although it does not mention pre-emptive nuclear strikes.

North Korean Obligations

- **Reactor Freeze and Dismantlement:** *The framework calls for North Korea to freeze operation of its 5-megawatt reactor and plutonium-reprocessing plant at Yongbyon and construction of a 50-megawatt reactor at Yongbyon and a 200-megawatt plant at Taechon. These facilities are to be dismantled prior to the completion of the second light-water reactor.*

North Korea has restarted the reactor. Although North Korea has said it is developing a nuclear deterrent, it has not explicitly threatened to use any spent fuel from its restarted reactor to build nuclear weapons.

- **Inspections:** *North Korea must come into "full compliance" with IAEA safeguards when a "significant portion of the [light-water reactor] project is completed, but before delivery of key nuclear components." Full compliance includes taking all steps deemed necessary by the IAEA to determine the extent to which North Korea diverted material for weapons use in the past, including giving inspectors access to all nuclear facilities in the country. The CIA estimates that Pyongyang has not accounted for one to two nuclear weapons worth of plutonium from the Yongbyon reactor.*

The Agreed Framework states that North Korea must fully comply with IAEA safeguards when "a significant portion of the LWR project is completed, but before delivery of key nuclear components." The United States, however, had been demanding that North Korea begin cooperation with the IAEA as soon as possible, because the agency needs approximately three to four years to complete inspections. There had been concerns that waiting to start inspections until a significant portion of the project is completed would jeopardize the Agreed Framework's ultimate success, because it would further delay completion of the reactors. North Korea will no longer be required to comply with IAEA inspections once its withdrawal from the NPT is complete.

- **Spent Fuel:** *The spent fuel from North Korea's 5-megawatt reactor at Yongbyon is to be put into containers as soon as possible (a process called "canning") and removed from the country when nuclear components for the first light-water reactor begin to arrive after North Korea has come into full compliance with IAEA safeguards.*

The canning process, conducted with U.S. financing, began April 27, 1996 and was finished in April 2000. The spent fuel, how-

ever, remains in North Korea, and Pyongyang may have re-processed it into weapons-grade plutonium. The amount of fuel is sufficient for several nuclear weapons, according to the CIA.

- **NPT Membership:** *The Agreed Framework requires that North Korea remain a party to the nuclear Nonproliferation Treaty.*

North Korea announced January 10, 2003 that it was withdrawing from the treaty, effective January 11. Although Article X of the NPT requires that a country give three months' notice in advance of withdrawing, North Korea argues that it has satisfied this requirement because it originally announced its decision to withdraw March 12, 1993 and suspended the decision one day before it was to become legally binding. Whether North Korea remains a NPT state-party is ambiguous.

U.S. Obligations

- **Establish and Organize KEDO:** *This includes the securing of diplomatic and legal rights and guarantees necessary to implement the light-water reactor project.*

KEDO was established on March 9, 1995, and membership now includes 12 states and the European Union, which provide electrical-power supplies and financial assistance to help KEDO implement the Agreed Framework.

- **Implement the Light-Water Reactor Project:** *The United States is to facilitate the construction of two 1,000-megawatt light-water nuclear power reactors.*

KEDO delegated responsibility to Japan and South Korea to finance and supply North Korea with two light-water reactors. After several years of site preparation, ground was broken in August 2001 in Kumho, North Korea. KEDO poured the concrete for the first reactor in August 2002, but suspended the project on December 1, 2003.

- **Provide Heavy-Fuel Oil Shipments:** *To compensate for the electricity-generating capacity that Pyongyang gave up by freezing its nuclear reactors, KEDO will supply North Korea with 500,000 metric tons of heavy-fuel oil annually until the light-water reactor project is completed.*

KEDO suspended the shipments in November 2002. The United States had provided the largest financial contribution for these shipments.