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## HERE'S WHY THE NUCLEAR DEAL BETWEEN JAPAN & INDIA MATTERS

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On 19 May 2017, the Lower House of the Japanese Parliament, the House of Councilors, approved the civilian nuclear cooperation pact between Japan and India. The endorsement by the Japanese Parliament is a welcome development for India since it recognises two nuclear realities for India - It accepts the need for India to be part of international nuclear commerce to meet its energy requirement; and it acknowledges India's nuclear weapons compulsion.

### **Japan's Recognition of India's Nuclear Energy Requirement**

The approval of the civilian nuclear pact opens up pathway of civilian nuclear commerce. The two countries can now engage in civilian nuclear cooperation, ranging from reactors construction to applied research in nuclear energy, aspects of nuclear safety and even reprocessing as per the text of the agreement.

Indeed, for an expanding Indian nuclear energy industry, this development implies many promises and opportunities. Additionally, it fits in well with India's nuclear energy strategy that aims at expanding the nuclear energy in its larger energy profile, being mindful of its clean energy responsibility. India's approach particularly rests on incorporating foreign and indigenous mix of nuclear technologies to enhance its nuclear power capacity in future.

With the opening of civilian nuclear commerce with Japan, India now completes its civilian nuclear cooperation agreement with all the major nuclear supplier countries of the world. This truly is a win for Indian nuclear diplomacy because Japan was amongst the toughest, staunchly non-proliferation focused country that India had to deal with. In fact, the decision to negotiate a deal of peaceful nuclear energy was taken back in the year 2010 and it finally was approved only in 2017.<sup>1</sup> With the deal in place India can now import Light Water Reactors in order to meet its clean energy needs.<sup>2</sup> Japan is one of the oldest players known for its technological prowess in the nuclear field. It can now offer its expertise to India. The country

produces 80 percent of the world's total reactor cores and is highly specialised in the steelwork that this requires.<sup>3</sup> It is important to note that the deal would remain in place for the next forty years with an automatic extension for 10 years thereafter, as mentioned in 'Article 17 of the text of the agreement'<sup>4</sup>. Additionally, with this agreement in place, India has also secured support for its already existing nuclear cooperation agreement with the US. After the American nuclear giant Westinghouse filed for bankruptcy, concerns on the future of the deal and its operationalisation were raised. However with the conclusion of this pact with Japan, Toshiba-being the parent owner of Westinghouse, can now participate in the supply of reactors for pending projects and new units at Kaiga.<sup>5</sup> In fact, the importance of this agreement can be gauged from the fact that some of the agreements India had already concluded with countries such as France, US were facing difficulty in the transfer of technology as the French and American supplies depended on Japanese companies for some key nuclear technologies by supplier consortiums such as Mitsubishi, Toshiba and Hitachi. The conclusion of the deal makes it easier for India to acquire these technologies.<sup>6</sup> To summarise one may argue that the deal has ushered a new era of cooperation on peaceful nuclear energy and it has been possible because Japan had taken cognizance of India's nuclear energy requirement.

### **India-Japan Coming Closer on Nuclear Non-Proliferation**

The India-Japan relations long faced the nuclear 'irritant', particularly Japan's insistence on India's CTBT ratification. This held the possibility of India-Japan nuclear commerce hostage for years. Japan is the only nation to have suffered atomic bombings and maintains an extraordinarily rigorous pro-nuclear non-proliferation and disarmament posture. In the past it had reacted critically to India's nuclear tests and had been cautious in conducting nuclear cooperation agreements with any non-NPT country. This is reversed for India with the conclusion of the deal. Today there is a greater degree of understanding about India's nuclear weapons compulsion by Japan. While in the past former foreign secretaries such as Shyam Saran had remarked that, "...People in Japan are not always familiar with India's stand on nuclear security issues..."<sup>7</sup> in the recent times both the countries have also had a chance to engage with each other on the matters of nuclear security, non-proliferation and nuclear disarmament. Last year in August 2016, both the countries held their 5<sup>th</sup> round of consultations<sup>8</sup> concerning non-proliferation and nuclear disarmament issues. In-fact, today after some years of India's entry into the nuclear non-proliferation order, it can be argued that both the countries match on various broader nuclear security issues. The figure below highlights various international/multilateral non-proliferation conventions.

Figure- 1

S. No	Nuclear Non-Proliferation Issues	India	Japan
1.	IAEA SAFEGUARDS	YES	YES
2.	ADDITIONAL PROTOCOL	YES	YES
3.	CPPNM AMENDMENT	YES	YES
4.	Convention of Nuclear Safety (CNS)	YES	YES
5.	FMCT(yet to be negotiated)	YES	YES
6.	NUCLEAR WEAPONS	-Voluntary Moratorium on testing  -Supports Verifiable, Credible, Time- bound Nuclear Disarmament	YES

### No Conditionality on Nuclear Testing

It is noteworthy that with this civilian nuclear cooperation agreement Japan seems to have shed its nuclear inhibition about India as far as CTBT and reprocessing are concerned. The very fact that, the text of the agreement makes no mention of CTBT is pointer to that. Additionally, the agreement also allows for reprocessing of the spent fuel from the Japanese reactors within the jurisdiction of India, so long India continues to have the IAEA safeguards and the Additional Protocol as mentioned in Article 11 of the agreement. While some media reports have raised concerns on the cessation of the agreement if India were to conduct a nuclear test- it should be noted that the actual text of the agreement makes no explicit mention of that. Article 14 of the text of the Agreement relates to the termination clause, which simply provides the 'right to either party to terminate the Agreement prior to its expiration by giving one year's written notice'. Furthermore, any party seeking notice is also required to provide the reason for seeking such a course of action, in addition to this – clause 2 of the same article provides for a consultation mechanism between the two parties to *carefully consider relevant circumstances and address the reasons seeking the termination*.<sup>9</sup> Thus any interpretation of this aspect is to be viewed in conjunction with the aforementioned clause about the consultation mechanism and its intended meaning. In the realm of global nuclear energy

industry Japan is a relevant nuclear player, which has now come closer to understanding India's non-proliferation commitment with the nuclear deal.

*(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])*

## Notes

<sup>1</sup> Shri Shyam, (2010), Address at the FEC Forum on India-Japan Cooperation in Peaceful Uses of Nuclear Energy Q.3346 Civil Nuclear Agreement With Japan, March 16, 2011, *Rajya Sabha*, Available at <http://www.mea.gov.in/lok-sabha.htm?dtl/16892/q3346+civil+nuclear+agreement+with+japan>, Accessed on June 05, 2017.

<sup>2</sup> Q No.180 Nuclear Pact With Japan, Rajya Sabha, Unstarred Question No.180, February 25, 2017, Available at <http://www.mea.gov.in/rajya-sabha.htm?dtl/26402/q+no180+nuclear+pact+with+japan>, Accessed on June 05, 2017.

<sup>3</sup> Nuclear Power Industry in Japan( 2012), Nuclear Business And Reactor Production In Japan , Available at <http://factsanddetails.com/japan/cat23/sub152/item2307.html>, Accessed on June 05, 2017.

<sup>4</sup> Text of Agreement Between The Government Of Japan And The Government Of The Republic Of India For Cooperation In The Peaceful Uses Of Nuclear Energy, Available at <http://www.mofa.go.jp/files/000202920.pdf>, Accessed on June 05, 2017.

<sup>5</sup> WNA(2017), World Nuclear Association, "Nuclear Power in India: Country Profile", Updated 19 May 2017, Available at <http://www.world-nuclear.org/information-library/country-profiles/countries-g-n/india.aspx>, Accessed on June 06, 2017.

<sup>6</sup> Purnendra Jain (2016), "India and Japan Scale New Heights" Available at <http://www.eastasiaforum.org/2016/11/25/india-and-japan-scale-new-heights/>, Accessed on June 06, 2017

<sup>7</sup> Note (i)

<sup>8</sup> India - Japan Consultations on Non-proliferation & Disarmament, August 26, 2017, *MEA Press Release*, Available at <http://www.mea.gov.in/press-releases.htm?dtl/27339/india++japan+consultations+on+nonproliferation+amp+disarmament>, Accessed on June 06, 2017.

<sup>9</sup> Question No.3320 Indo-Japan Civil Nuclear Deal, The Minister Of State, In The Ministry Of External Affairs, [Gen. (Dr) V. K. Singh (Retd), March 22, 2017, Available at <http://www.mea.gov.in/lok-sabha.htm?dtl/28200/question+no3320+indojapan+civil+nuclear+deal>, Accessed on June, 04, 2017 and Note (iv)