China - Pakistan Nuclear Deal

Why in news?

China and Pakistan signed an agreement for a 1,200 MW nuclear power plant in the Chashma nuclear complex in Pakistan without seeking necessary waivers from the Nuclear Suppliers Group (NSG).

What is the nuclear status of Pakistan?

- **Power plants -** Pakistan is currently operating 6 China-built nuclear plants.
  - 4 smaller reactors at the Chashma complex
  - 2 at the Karachi Nuclear Power Plant (KANUPP).
- KANUPP-2 and KANUPP-3 both use 1,100 MW Chinese Hualong One reactors.

  KANUPP-3 signed in 2013, became a flagship energy project as part of the China Pakistan Economic Corridor (CPEC) of the Belt and Road Initiative (BRI).

- **Treaties -** Pakistan is neither part of the Nuclear Non-Proliferation Treaty (NPT) nor part of Nuclear Suppliers Group (NSG).
- **Status -** The energy sector is running deficit and heavily dependent on imported fuel including oil and LNG.
- Pakistan needs to urgently increase the share of renewables and nuclear energy.
- Pakistan rolled out the Alternative and Renewable Energy Policy in 2019 to increase the share of renewables to 30% by 2030.
- Currently, nuclear source account for 12%, and wind and solar account only 3% of the energy mix. (2021-22 Economic Survey)

What is the nuclear deal signed between China and Pakistan?

- Pakistan is facing a dual energy and economic crisis.
- Pakistan is on-going negotiations for a bailout from the International Monetary Fund (IMF).
- Pakistan signed an agreement for the construction of a ***1,200 MW*** nuclear plant at the Chashma nuclear complex.
- This is the ***fifth*** and the ***biggest*** reactor at the Chashma nuclear complex (C-5).
- China had given 'special concessions' for financing the construction of the reactor.

Why has China not sought waivers from the Nuclear Suppliers Group?

- **NSG -** Nuclear Suppliers Group (NSG) is a 48-member grouping that seeks to contribute to the non-proliferation of nuclear weapons.

- NSG explicitly prohibits the transfer of nuclear technology by its members to countries that have not signed the nuclear Non-Proliferation Treaty (NPT).
- **Ambit and Gambit -** China joined NSG in 2004.
- Thus China's civilian nuclear projects with Pakistan comes under scrutiny of NSG.
- The new deal signed between China and Pakistan for C-5 power plant did not seek NSG.
- China argued that the Chashma 3 and Chashma 4 reactors were 'grandfathered' under its earlier Chashma deals with Pakistan that pre-dated its joining of the NSG.
- China now justifying the continuing nuclear commerce for C-5 by pointing to the India-U.S. nuclear deal.

How does the India-U.S. nuclear deal differ from the China-Pakistan deal?

- **Waiver -** India and the U.S. sought a waiver from the NSG for their civilian nuclear deal, which was granted in 2008.
- **Commitments -** India undertook a number of international commitments such as
    - Placing facilities under International Atomic Energy Agency (IAEA) safeguards.
    - Separating civilian and military nuclear programmes.
    - Continued moratorium on testing.
- Neither has China sought any such waiver from the NSG nor has Pakistan undertaken similar commitments.

How will the deal impact the governance of nuclear commerce?

- China is blocking the long-running negotiations to include India as a full-fledged NSG member.
- China argued the C-4 and C-5 deals agreed in 2013 as being part of earlier agreements, the KANUPP-2&3.
- The new deals further eroded the global rules governing nuclear commerce.
- It has also raised questions about the relevance and future of the NSG and governance of global nuclear commerce.

References

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