U.S.–Saudi Arabia Nuclear Deal

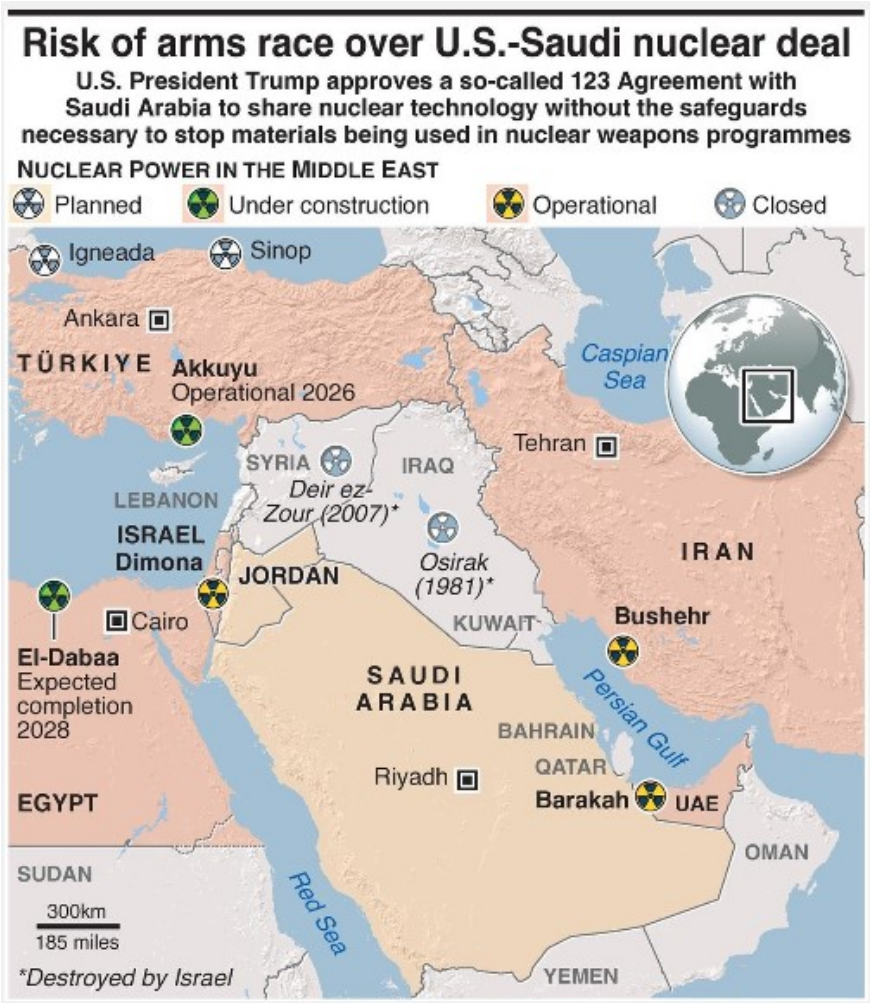
Mains: *GS II – International Relations*

Why in News?

Recently, the U.S and Saudi Arabia signed a significant nuclear deal.

What is the deal about?

- **Technology and Material Transfer** – The agreement permits the **transfer of civilian nuclear materials, technology and equipment** from the United States to Saudi Arabia.
- It gives **U.S. nuclear companies preferential access** when Saudi Arabia begins constructing its nuclear infrastructure.
- **Safeguard agreements** – A parallel **bilateral safeguards agreement** introduces additional verification measures covering proliferation-sensitive activities such as:
    - Uranium enrichment
    - Uranium conversion
    - Nuclear fuel fabrication
    - Spent fuel reprocessing



What are the core components of the agreement?

- **Commercial and Energy Goals** – Designed to supply multi-billion-dollar contracts for American firms (such as Westinghouse) to generate civilian electricity, power energy-hungry data centers, and free up more Saudi oil for export.
- **Uranium Enrichment & Oversight** – Initial plans propose a joint two-year study to evaluate the feasibility of a local enrichment facility run by U.S. companies, though Trump asserted that domestic material enrichment would not be permitted.
- **Congressional Review** – The pact has been submitted to the U.S. Congress for a mandatory 90-day review period before it can formally take full effect.

What are the benefits for Saudi Arabia through agreement?

- **Energy Diversification** – Shifting domestic electricity generation, air conditioning, and water desalination from oil and gas to atomic power.
- **Increased Oil Revenues** – Saving extracted crude oil from domestic burning to sell on the global market instead.
- **Economic Transformation** – Fueling advanced, power-hungry domestic sectors ranging from artificial intelligence data centers to industrial manufacturing.
- **Regional Prestige** – Elevating the kingdom's strategic and scientific standing within the Middle East.
- **Potential Fuel Cycle Autonomy** – Establishing a legal framework to explore domestic uranium enrichment under a joint two-year viability study.

What are the benefits for United States?

- **Commercial Windfall** – Positioning American companies like Westinghouse at the forefront of a 30-year, multi-billion-dollar infrastructure market.
- **Countering Global Rivals** – Blocking geopolitical competitors like China and Russia from securing the contracts and expanding their influence in the Gulf.
- **Geopolitical Alignment** – Deepening the long-term strategic partnership between Washington and Riyadh through critical infrastructure dependencies.
- **Non-Proliferation Oversight** – Gaining deep insight and monitoring access into the kingdom's atomic roadmap through bilateral safeguards.
- **Diplomatic Leverage** – Using the highly sought-after deal as a transactional tool to nudge Saudi Arabia toward regional normalization, including the Abraham Accords.

To know more about Abraham Accords click here

What are the concerns raised?

- **Potential Nuclear Weapon Development** – Nuclear nonproliferation groups have warned for years that such a deal could set Saudi Arabia on the path to develop a nuclear weapon.
- Riyadh has in the past said it would need a nuclear weapon if its regional rival, Iran, acquired one.
- **Suppressing Iran's capability** – The US is engaged in a war with Iran that is in part being fought to prevent Tehran from acquiring a nuclear bomb or enriching uranium to weapons-grade level.
- **Lacks of Oversight and guardrails** – Saudi Arabia will reportedly not be subject to the most rigorous monitoring from the UN nuclear watchdog, the International Atomic Energy Agency (IAEA).

What lies ahead?

- India should Support diplomatic frameworks that tie energy growth to cooperative security.
- India should also align its own growing civil nuclear roadmap with broader Middle Eastern infrastructure shift.

Reference

The Hindu| US-Saudi Nuclear Deal

The Times of India| US-Saudi Nuclear Deal

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