

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

THOMAS J. DONOHUE  
PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

1615 H STREET, N.W.  
WASHINGTON, D.C. 20062-2000

January 15, 2009

The Honorable Richard Lugar  
Ranking Member, Committee on Foreign Relations  
United States Senate  
Washington D.C. 20510

Dear Senator Lugar:

On behalf of the U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, I urge you to support the U.S.-U.A.E. civilian nuclear cooperation agreement which was signed today.

In order to meet significant future energy requirements, the U.A.E. is proposing a civilian nuclear energy program that will meet the highest standards of nonproliferation, security, safety, and operational transparency. Unique among countries in the region and globally, the U.A.E. is renouncing uranium enrichment and reprocessing. In addition, the U.A.E. is committing to all major international nonproliferation instruments, including the International Atomic Energy Agency (IAEA) Additional Protocol to the Safeguards Agreement, N.S.G. Export Guidelines, and the I.A.E.A. Amendment to the Convention on Physical Protection. In this regard, the U.A.E. is creating an important model for the anticipated global renaissance in nuclear energy.

The U.A.E. will seek foreign companies to build and operate its power plants, and has hired a 30 year veteran of the U.S. Nuclear Regulatory Commission to create a U.S.-style regulatory process. The U.A.E. has also worked closely with the U.S. government, other U.S. allies, and, of course, the I.A.E.A., which is staunchly supportive of the project. Moreover, the U.A.E. already has awarded two significant contracts to U.S. firms related to the design and management of the program.

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American business leaders are united in their belief that civilian nuclear cooperation with the U.A.E. will foster deeper bilateral strategic ties that will yield wide-scale commercial opportunities for U.S. companies in economically difficult times. Already, the U.A.E. is the largest export market for American goods in the Arab world. There are over 750 U.S. companies in the U.A.E, and 30,000 Americans are working there.

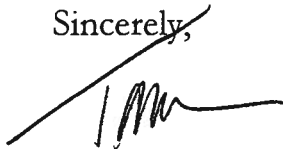
The cost of the U.A.E. project could exceed \$41 billion. With a civilian nuclear cooperation agreement in place, this may unlock significant additional business for a broad range of American companies in related industries, such as construction, plant management, logistics, safety, and transportation services. The U.S. economy will also gain through taxes generated by U.S. companies participating in the U.A.E.'s civilian nuclear energy program.

The global civilian nuclear energy industry is very competitive, with companies from the E.U. and Far East competing for these types of projects. When the U.A.E. reaches agreement with other countries such as France or Korea and an agreement has not been concluded with the U.S., our companies could find themselves locked out of any competition for this new business.

Also important to note is that the U.A.E. is a key ally in a region of great significance to the global economy and security. Moreover, U.A.E. investment in the U.S. has served as a dependable and long-term driver of economic growth in our economy by injecting foreign investment capital, expanding market access, and creating jobs.

The U.S. Chamber of Commerce staunchly supports the expanding strategic and economic partnership between the U.S. and the U.A.E. as encapsulated in the agreement. The U.A.E. stands today as a true partner and a friend to the United States. This historic opportunity to enhance U.S. security, increase foreign trade, and bolster the civilian nuclear sector rarely comes and must not be lost. We urge your support for the agreement.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Donohue', written over a diagonal line that extends from the word 'Sincerely,'.

Thomas J. Donohue