Frequently Asked Questions

Why did the industry decide to engage in this voluntary process to develop the Principles of Conduct under the leadership of the Carnegie Endowment?

The market for nuclear power plants, which consists of governments, nuclear power plant vendors, and customers, has undergone significant changes in recent years. New customers and new vendors are seeking to enter the market, while existing nuclear power plant vendors are losing experienced workers to retirement and hiring new highly skilled employees to meet growing demand. This dynamism in the market for nuclear power plants may present significant opportunities, but may also pose severe risks if all players in the market are not educated about existing standards, best practices, and norms. Although the full consequences of the Fukushima nuclear accident are not yet known, it is widely expected that countries will continue to look toward nuclear energy to help face the dual challenges of energy security and climate change.

The Carnegie Endowment for International Peace, which has a keen interest in the responsible application of nuclear energy, recognized that nuclear energy could be important in meeting future global energy demands and averting climate change, provided that it is implemented responsibly and sustainably. Accordingly, Carnegie undertook an initiative in October 2008 to identify, aggregate, and promulgate in a single non-legally binding document vital norms and best practices for responsible nuclear exports, and then to encourage all industry participants to internalize them. The Principles were the result of this process, which was unprecedented for the nuclear industry in terms of the diversity of participants and the direct involvement of internationally recognized experts.

The nuclear industry works continuously to provide the world with safe, reliable, and clean energy. It strives to consistently and stringently apply lessons learned from past experiences on an industry-wide basis. The effort to develop these Principles reflects the industry’s ongoing commitment to apply high standards of practice while reaffirming the vendors’ common interest in fair and free competition anchored in responsible exporting practices.

The nuclear industry as a whole has participated in extensive discussions about nuclear trade. Previously, however, no initiative sought to bring together the world’s nuclear power plant vendors to identify best practices in exports. When the Carnegie Endowment offered to lead such an initiative, all of the industry’s key exporters of nuclear power plants responded favorably.
Was the United States government or any other government involved in the development of the Principles?

No. Both the Carnegie Endowment and the various vendors initiated and remained in the process voluntarily and out of their respective institutional interests with no governmental prodding or involvement. The governments of the countries in which each vendor is headquartered were generally briefed by Carnegie throughout the development of the Principles to assure these governments that the process remained consistent with the promotion of the broad public interest. The participating vendors were encouraged to keep their national governments apprised of developments in the project.

Who provided funding for the project?

Funding was provided by private foundations: the William and Flora Hewlett and Alfred P. Sloan foundations, primarily, as well as the Carnegie Endowment for International Peace. Support in kind was also received from Bruce Power and the law firms of Sidley Austin LLP and Foley Hoag LLP. Participating vendors paid for all of their own expenses incurred. No government or industry funding was involved in negotiating the Principles or financing the expenses of Carnegie staff on this project, nor has Carnegie received any contribution from the nuclear industry.

How was participation in the process determined?

The Carnegie Endowment began this initiative in early 2008 by contacting each company that it knew to be exporting nuclear power plants at the time. The list was expanded subsequently in response to market developments. If, in the future, additional companies seek to export nuclear power plants, they will be invited to subscribe to the Principles and participate in their future review and implementation.

Are there any vendors who declined to be involved in the development of the Principles?

No. All of the current and aspiring vendors exporting nuclear power plants at the time the Principles initiative began agreed to participate in the drafting process.

What was the process for drafting the Principles?

Carnegie began this process by convening the leading international experts on various aspects of nuclear power plant exportation as well as key exporting vendors of nuclear power plants. Drafting took place at a series of meetings occurring every 3–4 months. These meetings brought together Carnegie staff, the participating vendor companies, and a group of international experts on the subjects addressed in each of the Principles, as well as antitrust/competition law counsel. The meetings, which were held over a three-year period, involved discussion of the substance of the Principles as well as the crafting of consensus on the text of the Principles themselves.
Where can we find a copy of the Principles?

The Principles of Conduct are available at nuclearprinciples.org. They are also available on participating vendors’ websites.

Isn’t this an industry code of conduct? Why did the vendors choose to name the document the “Principles of Conduct?”

The Principles are a truly global initiative developed by experts and vendor companies from three continents. When deciding on the title, participants had to take into account how the Principles text—including the title—might translate into other languages. Participants decided to call this voluntary initiative the “Principles of Conduct” rather than a “code”—the term often employed in such voluntary corporate social responsibility initiatives—because when “code” was translated into some other languages, it acquired an overly legalistic meaning that might have created confusion regarding whether this was a state-based, legally mandated, or voluntary initiative.

What other industries have adopted similar codes of conduct?

The process that produced the Principles of Conduct, as well as the Principles themselves, reflects a recent trend in the management of global challenges. Leading national and transnational industries [business sectors], such as the oil and gas, apparel, and pharmaceutical industries, have come to recognize that their reputations as socially responsible actors are key to their long-term business success. Some industries with similar codes of conduct include:

- Manufacturing (The Fair Labor Association, Worldwide Responsible Apparel Production)
- Financial (Equator Principles, UN Principles for Responsible Investment)
- Electronics (Electronic Industry Code of Conduct)

How has Atomic Energy of Canada Limited (AECL) become Candu Energy?

It has been a public policy objective of the Government of Canada for the last several years to transfer the commercial activities from AECL, which is owned by the Government of Canada, to the private sector. On June 29, 2011, the Government of Canada announced the signing an agreement for the sale of AECL’s Commercial Operations to Candu Energy Inc., a wholly owned subsidiary of SNC-Lavalin. The targeted closing date for the transaction is September 30, 2011.