

7. The United States of America shall approve the retransfer from Taiwan of Canadian uranium or special nuclear material produced therefore only to such third parties as have been identified as acceptable by Canada in writing from time to time. Prior to each such retransfer, the United States of America shall consult with Canada with a view to reaching agreement on measures to ensure that retransferred Canadian uranium and retransferred special nuclear material produced from Canadian uranium become subject to a nuclear cooperation agreement between Canada and the recipient third party. This commitment applies only when the United States of America has been advised that Canadian uranium or special nuclear material produced therefrom is involved and the retransfer is to a destination other than Canada.

8. In the event that the consent of United States of America is sought for the reprocessing or enrichment to twenty percent or greater in the isotope U-235 of Canadian uranium or special nuclear material produced therefrom, the United States of America shall consult Canada with a view to reaching agreement prior to exercising any rights it has to approve the enrichment or reprocessing. This commitment applies only when the United States of America has been advised that Canadian uranium or special nuclear material produced therefrom is involved.

9. If for any reason or at any time, the International Atomic Energy Agency is not applying safeguards pursuant to the Safeguards Agreement, or (in the event that such Agreement is replaced) pursuant to the provisions of any succeeding agreement, to Canadian uranium on Taiwan or special nuclear material on Taiwan produced from Canadian uranium, the United States of America shall consult Canada with a view to reaching agreement on the application of fallback safeguards to such Canadian uranium and special nuclear material. Fallback safeguards may include the invocation by the United States of America of its existing rights under the 1972 Agreement with a view to ensuring that the safeguards provided for in the 1972 Agreement are applied to Canadian uranium and special nuclear material produced therefrom. If the United States of America exercises its rights under the 1972 Agreement to require the return from Taiwan of material subject to that Agreement, Canadian uranium and special nuclear material produced therefrom that are returned shall, unless otherwise agreed, become subject to the Cooperation Agreement upon leaving Taiwan.