programmes, that our two Governments recognize the role of reprocessing in connection with the maximum utilization of available resources, the management of spent fuel, and other peaceful non-explosive uses of nuclear energy including research.

- (b) I also note that our two Governments desire the predictable and practical implementation of the relevant provisions of the Amended Agreement, taking into account both their determination to ensure the furtherance of the objective of nuclear non-proliferation and the longterm requirements of the nuclear energy programmes of their respective countries.
- (c) I further note that the Amended Agreement is in force between our two Governments and that both Canada and Japan are parties to the Treaty on the Non-Proliferation of Nuclear Weapons. I therefore acknowledge that the Government of Japan has made an effective commitment to nuclear non-proliferation and has placed all nuclear material under IAEA safeguards and under appropriate levels of physical protection, that mutually satisfactory notification and material reporting procedures have been worked out, notably through the Joint Working Group established under an Exchange of Notes between the two Governments dated August 22, 1978 which was effected in connection with the above-mentioned Protocol, that a description of the current and planned nuclear energy programme of Japan has been made available, and that the Amended Agreement provides for consultations that have been held and will continue to be held on a periodic and timely basis. I note accordingly that our two Governments are in agreement that the objectives of the guidelines above have been met.

PART II

In view of the above, I have the honour to propose, on behalf of the Government of Canada, the following:

- 1. Subject to the provisions of paragraph 3 below, the Government of Canada hereby gives the consent referred to in paragraph 2 of Article III of the Amended Agreement for the reprocessing within the jurisdiction of the Government of Japan of identified material and for the storage within the jurisdiction of the Government of Japan of plutonium which is identified material as well as the consent referred to in paragraph 1 of Article III of the Amended Agreement for the transfer beyond the jurisdiction of the Government of Japan of identified material for its reprocessing.
- 2. Subject to the provisions of paragraph 3 below, the Government of Canada hereby confirms:
 - (a) that the reprocessing in a third country of identified material transferred from Japan may take place; and
- (b) that the retransfer to Japan from that third country of such identified material may take place after reprocessing.