3) IAEA verification will cover:

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- (a) all nuclear facilities and equipment transferred under the agreement for the life of these facilities and equipment; and
- (b) all nuclear material (uranium, thorium, plutonium and heavy water) supplied, and future generations of this material.
- Internationally recognized levels of physical protection Will be applied as minima to ensure against diversion of nuclear material.

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- Provisions for fallback safeguards are agreed upon by the two parties in case IAEA/Euratom safeguards are not being applied.
- 6) The Community recognizes that Canada requires specific assurances prior to the transfer of Canadian nuclear technology. The Community and Canada have agreed that transfers of sensitive nuclear technology, including CANDU technology, would be covered by agreements to be concluded between individual member states of the Community and the Government of Canada.
- 7) Control over retransfers of nuclear material and equipment is provided in the 1959 Agreement.
- 8) Assurances are provided that no Canadian material will be used in French reactors until safeguards administered by Euratom, and verified by the IAEA, are in place. Assurances are also provided that any plutonium derived from Canadian source material would only be used in the French civilian nuclear programme.
- 9) An interim arrangement is being entered into to govern enrichment beyond 20%, reprocessing and subsequent storage of plutonium and highly enriched uranium.
 - (a) Canada and the Community have agreed to cooperate both bilaterally and internationally to identify arrangements to ensure that every precaution is taken with respect to the generation and dissemination of material that can be used for nuclear weapons. They recognize as well the need to meet legitimate energy requirements. In view of the participation of Canada, and of the Commission of the European Communities, and the Member States of Euratom in the International Fuel Cycle Evaluation (INFCE), which will examine reprocessing, enrichment and storage, the parties have agreed on an interim arrangement covering

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