

nuclear material, equipment, facilities and technology supplied by Canada. Argentina provided this commitment in September 1974 and, as required under the December 1973 contract, concluded a safeguards agreement with the IAEA in early December 1974. However, in December 1974 the Canadian government announced its more comprehensive non-proliferation policy. As acceptance of these new requirements by countries with which Canada was engaged in nuclear co-operation was made essential for all contracts, past and future, Argentina was required to negotiate a bilateral agreement with Canada covering the Embalse contract. Such an agreement was concluded in January 1976, and in turn made it necessary to negotiate a new IAEA-Argentina safeguards agreement, a task which was completed in July 1977. This agreement covers the Embalse reactor and would apply to any future nuclear co-operation between Canada and Argentina. In the midst of this process, Canada announced in December 1976 the requirement for NPT accession or equivalent and the application of fullscope safeguards. While Canada has demonstrated its willingness to co-operate further with Argentina in a broad range of nuclear matters, Argentina has to date not been prepared to make the necessary political commitment to non-proliferation or accept NPT-type fullscope safeguards. Canada continues to fulfil its obligations under the December 1973 contract between Atomic Energy of Canada Ltd. and Comision Nacional de Energia Atomica but Argentina has been advised that no further nuclear co-operation can take place until Argentina fully meets Canada's non-proliferation policy requirements.

(e) Korea

In 1975, AECL concluded negotiations for the sale to the Republic of Korea of one CANDU reactor, including the technology necessary for its construction and operation. As required, a bilateral nuclear co-operation agreement incorporating non-proliferation requirements was concluded in January 1976. Korea acceded to the NPT in April 1975 and in November 1975 concluded a NPT-type safeguards agreement with the IAEA. Therefore Korea meets the requirements of Canada's policy. Construction of the Wolsung reactor is now nearing completion.

(f) Romania

Romania acceded to the NPT in 1970 and concluded a NPT-safeguards agreement with the IAEA in 1972. Moreover, in October 1977 Romania and Canada negotiated a bilateral nuclear co-operation agreement, which was ratified in June 1978. Romania, therefore, meets the requirements of Canada's policy. AECL and the Romanian state trading corporation, Romenergo, have signed contracts for two reactors.