NPT to withdraw from the treaty. Such action is possible on three months' notice. In these circumstances Canada would still have the assurance that its nuclear partner would continue to observe its commitment not to use heavy water, nuclear material, equipment, or technology subject to the agreement for any nuclear explosive purpose. With regard to nuclear weapons states (e.g. the U.S.A., the U.K. and France) which are nuclear partners of Canada, inclusion of this provision in agreements reflects a political commitment by those states not to use any Canadian material, nuclear material, equipment or technology subject to those agreements in their nuclear weapons programs.

## ii) Fallback safeguards

If a state should decide to withdraw from the NPT, if that treaty should fall into disrepute, or if the IAEA is for some reason no longer able to apply safeguards to a state's nuclear activities, then Canada would wish to be in a position where it can satisfy itself that the Canadian-origin nuclear material, heavy water, equipment and technology that has been transferred to that state will continue to be subject to safeguards. The aim is to continue to verify observance by that state of its commitment to nonexplosive use of Canadian-supplied or -derived nuclear items. Thus Canada requires continuity of safeguards coverage, or fallback safeguards.

## iii) Retransfer control

Retransfer control provision serves an obvious purpose: there would be little use in Canada's having a non-proliferation and safeguards policy if a recipient country which satisfied the requirements of that policy were able to act as a middle-man and pass along Canadian-origin nuclear material, equipment or technology to third countries which did not.

## iv) Reprocessing control

Canada seeks reprocessing control, not because it is opposed to reprocessing, but because it wants to be assured that any reprocessing of Canadian nuclear material would take place as an integral part of a significant nuclear energy program and that effective technical, institutional and safeguards measures have been put into place to ensure that there is no misuse of the separated plutonium. Canada has recently developed an approach whereby this control will be implemented on a long term, predictable basis. Many of our nuclear partners see this as important for their energy security in the future. Australia, another major uranium supplier, has adopted a similar approach. Canada also requires a control over high enrichment. Light water reactors require