

During the early 1970s Canada's concern that the plutonium contained in the fuel irradiated in the CIRUS reactor might be used for explosive purposes led the Prime Minister to write to Prime Minister Indira Gandhi in October 1971 to clarify Canada's views on "any further proliferation of nuclear explosive devices" and to state that "the use of Canadian supplied material, equipment and facilities in India, that is, at CIRUS, RAPP I or RAPP II, or fissile material from these reactors, for the development of a nuclear explosive device would inevitably call on our part for a reassessment of our nuclear co-operation arrangements with India". In response, Mrs. Gandhi agreed that the nuclear co-operation between Canada and India had been dedicated to "the development and application of nuclear energy for peaceful purposes", but added that "it should not be necessary now in our view to interpret these agreements in a particular way based on the development of a hypothetical contingency".

On May 18, 1974, India detonated a nuclear explosive device, claiming it was solely for peaceful purposes, that is, a "peaceful nuclear explosion" (PNE). The Canadian government, which does not distinguish between nuclear weapons and nuclear explosives, suspended its nuclear co-operation program with India. Later, India admitted that plutonium produced in the CIRUS reactor using uranium fuel of non-Canadian origin had been used in that explosive device. It continues to maintain, however, that since nuclear material of non-Canadian origin was used, there has been no breach of its undertakings to Canada.

(c) Pakistan

In 1959, Canada signed a nuclear co-operation agreement with Pakistan covering the provision of a 137 MW CANDU-type power reactor (KANUPP). The agreement was similar to that concluded later between Canada and India for the RAPP reactors. In 1969 Canada, Pakistan and the IAEA concluded an agreement under which the IAEA assumed the responsibility of safeguarding the KANUPP reactor. The reactor began commercial operation in 1972.

(d) Taiwan

In 1969, Canada sold to Taiwan a 40 MW nuclear research reactor, the Taiwan Research Reactor (TRR), complete with heavy water and fuel. This sale was conditional on Taiwan's concluding with the IAEA a safeguards agreement by which Taiwan would undertake not to use the TRR reactor in such a way as to further any military purpose. This agreement continues to be implemented, and the TRR reactor remains subject to IAEA safeguards.