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SIGNATURE OF NUCLEAR AGREEMENT BETWEEN CANADA AND THE EUROPEAN COMMUNITY

The Secretary of State for External Affairs, the Honourable Don Jamieson, announces the signing today of a nuclear cooperation agreement between the Government of Canada and the European Atomic Energy Community. The following is the text of the Joint Communiqué issued in Brussels.

"An Agreement in the form of an exchange of letters was signed in Brussels on January 16, 1978 by the Commissioner responsible for Energy, Dr. Guido Brunner, and by the Chargé d'Affaires of the Mission of Canada to the European Communities, Mr. P.D. Lee.

"The safeguards agreement which has been negotiated is an updating of the existing agreement between the Government of Canada and the European Atomic Energy Community for Cooperation in the Peaceful Uses of Atomic Energy which was signed on October 6, 1959.

"The principal features of the amended agreement are as follows:

- No material, subject to the agreement as amended, may be used for the manufacture of any nuclear weapon or for any other military use of nuclear energy, or for the manufacture of any other nuclear explosive device.
- This undertaking and other provisions of the agreement will be verified in Canada by the International Atomic Energy Agency (IAEA) and in the Community by Euratom and the IAEA in accordance with the agreements concluded between Euratom, its Member States and the IAEA.

- 3) IAEA verification will cover:
 - (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.
- 4) Internationally recognized levels of physical protection Will be applied as minima to ensure against diversion of nuclear material.
- 5) Provisions for fallback safeguards are agreed upon by the two parties in case IAEA/Euratom safeguards are not being applied.
- 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

those operations as they apply to Canadian-origin material.

- The Community will notify Canada prior to (b) reprocessing, enriching or storing any material transferred after December 20, 1974 (which is the date on which the Canadian Government laid down its new policy requirements). In addition, Canada has requested, and the Community has agreed, to provide information on planned reprocessing of material transferred before December 20, 1974. In both cases, consultations will take place on request to ensure that adequate safeguards for the operation contemplated are in place in order that any risks of nuclear proliferation may be avoided. consultations will enable each party to exchange information on the nature and purpose of reprocessing, enrichment and storage of Canadian origin material and in time help develop criteria that might ensure that these operations are conducted in a manner fully compatible with non-proliferation. A meeting will be held of the Joint Technical Working Group of the Community and Canada early in 1978 to work out appropriate modalities for notification and consultations.
- (c) Canadian supplies of uranium in the interim period will be limited broadly to the current needs of the Community.
- (d) The interim arrangement will last for the expected duration of the INFCE plus one year to allow the negotiation of a more permanent arrangement and may be renewed or extended only with the agreement of both parties.
- 10. Following the agreement outlined in this exchange of letters, the Canadian Government has decided to resume shipments of uranium to the Community which had been suspended since January 1977."