



Canada No. 1 (2018)

Agreement

between the Government of the United Kingdom of Great Britain and
Northern Ireland and the Government of Canada for Cooperation in the
Peaceful Uses of Nuclear Energy

Ottawa, 2 November 2018

[The Agreement is not in force]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
November 2018*



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**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED
KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE
GOVERNMENT OF CANADA FOR COOPERATION IN THE PEACEFUL
USES OF NUCLEAR ENERGY**

The Government of the United Kingdom of Great Britain and Northern Ireland (“United Kingdom”) and the Government of Canada (“Canada”) (hereinafter referred to as “the Parties”);

Underlining the importance for each of the Parties of the security of their energy supply and the need to develop new clean and sustainable energy sources;

Recognising that nuclear power is a major source of low carbon energy in both the United Kingdom and Canada and will continue to play a key role in achieving a low carbon future;

Observing that both the United Kingdom and Canada are parties to the Treaty on the Non-Proliferation of Nuclear Weapons, done at London on 1 July 1968 (“NPT”);

Recognising that both the United Kingdom and Canada are members of the International Atomic Energy Agency (“IAEA”);

Acknowledging their close cooperation in the development and application of the peaceful uses of nuclear energy under the Agreement between the Government of Canada and the European Atomic Energy Community (Euratom) for Co-operation in the Peaceful Uses of Atomic Energy, done at Brussels on 6 October 1959, as amended (hereinafter referred to as the “Canada-Euratom Agreement”), and desiring to continue such cooperation following the United Kingdom’s withdrawal from the European Atomic Energy Community (“Euratom”);

Mindful that Canada, as a non-nuclear-weapon State Party, has, under the NPT, undertaken not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices and that it has concluded the Agreement between the Government of Canada and the International Atomic Energy Agency for the Application of Safeguards in connection with the Treaty on the Non-Proliferation of Nuclear Weapons, done at Vienna on 21 February 1972 and entered into force on 21 February 1972, as supplemented by the Protocol Additional to the Agreement between Canada and the International Atomic Energy Agency for the Application of Safeguards in connection with the Treaty on the Non-Proliferation of Nuclear Weapons, done at Vienna on 24 September 1998 and entered into force on 8 September 2000 (hereinafter collectively referred to as the “Canada-IAEA Safeguards Agreement”);

Recognising that the United Kingdom, as a nuclear-weapon State Party to the NPT, has voluntarily entered into the Agreement between the United Kingdom of Great Britain and Northern Ireland, the European Atomic Energy Community and the International Atomic Energy Agency for the Application of Safeguards in the United Kingdom of Great Britain and Northern Ireland in connection with the Treaty on the Non-Proliferation of Nuclear Weapons done at Vienna on 6 September 1976, as

supplemented by the Protocol Additional to the Agreement between the United Kingdom of Great Britain and Northern Ireland, the European Atomic Energy Community and the International Atomic Energy Agency for the Application of Safeguards in the United Kingdom of Great Britain and Northern Ireland in connection with the Treaty on the Non-Proliferation of Nuclear Weapons, done at Vienna on 22 September 1998, for the application of safeguards in connection with the NPT, all of which will remain in force until the date which Euratom arrangements no longer apply in the United Kingdom (the “United Kingdom-Euratom-IAEA Trilateral Safeguards Agreement”);

Recognising that the United Kingdom has made a clear commitment to voluntarily enter into a comparable Safeguards Agreement with the IAEA, supplemented by a comparable Additional Protocol, for the application of such safeguards in connection with the NPT, (the “United Kingdom-IAEA Safeguards Agreement”) that will be in force on and from the date the United Kingdom-Euratom-IAEA Trilateral Safeguards Agreement is no longer in force;

Observing that the United Kingdom and Canada are strongly committed to nuclear security, including physical protection, of nuclear material and that the United Kingdom and Canada are parties to the Convention on the Physical Protection of Nuclear Material (“CPPNM”), done at Vienna on 3 March 1980, as amended on 8 July 2005;

Desiring to maintain conditions consistent with their commitment to non-proliferation under the NPT, under which nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment and technology can be transferred between their two countries for peaceful purposes; and

Underlining further that the State Parties to the NPT have undertaken to facilitate, and have the right to participate in, the fullest possible exchange of nuclear material, non-nuclear material, equipment, and scientific and technological information for the peaceful uses of nuclear energy and that State Parties to the NPT in a position to do so may also cooperate in contributing together with other State Parties to the further development of the applications of nuclear energy for peaceful purposes;

Have agreed as follows:

ARTICLE I

Definitions

1. For the purposes of this Agreement:
 - (a) “competent authority” means, in the case of Canada, the Canadian Nuclear Safety Commission, and, in the case of the United Kingdom, the Department for Business, Energy and Industrial Strategy, the Office for Nuclear Regulation, or any other such authority as a Party may at any time notify the other Party in writing;
 - (b) “equipment” means those items listed in Annex B of IAEA document INFCIRC/254/Part 1, as may be revised from time to time, but that are not non-nuclear material as defined in paragraph 1(c). Any such revision applies to this Agreement unless a Party has informed the other Party in writing that it does not accept the revision; “equipment” also means any equipment or other item as jointly determined by the Parties in writing;
 - (c) “non-nuclear material” means deuterium and heavy water and nuclear grade graphite listed in Annex B of IAEA document INFCIRC/254/Part 1, as may be revised from time to time. Any such revision applies to this Agreement unless a Party has notified the other Party in writing that it does not accept the revision;
 - (d) “nuclear material” means any “source material” or “special fissionable material” as those terms are defined in Article XX of the Statute of the IAEA, done at New York on 26 October 1956. Any determination by the Board of Governors of the IAEA under Article XX of the Statute that amends the list of material considered to be “source material” or “special fissionable material”, applies to this Agreement unless a Party has notified the other Party in writing that it does not accept that determination;
 - (e) “technology” means technical data, software, or technical assistance that the supplier Party has designated, prior to transfer, as being relevant in terms of non-proliferation and important for the design, production, operation, or maintenance of equipment or tritium-related equipment, for the processing of nuclear material, non-nuclear material, or tritium and (i) includes, but is not limited to, technical drawings, photographic negatives and prints, recordings, design data, and technical and operating manuals; but (ii) excludes technical data and software available to the public;
 - (f) “tritium” means compounds and mixtures which contain tritium in which the ratio of tritium to hydrogen by atoms is greater than 1 part per 1000; and

- (g) “tritium-related equipment” means equipment, plants, or facilities for the production, recovery, extraction, concentration, handling, or storage of tritium.

ARTICLE II

Scope of Cooperation

1. The Parties intend to facilitate cooperation under this Agreement in the development and application of the peaceful non-explosive uses of nuclear energy, which may include, but is not limited to, inter alia:

- (a) implementation of projects for the generation of electricity, heat or steam, and other peaceful uses of nuclear energy;
- (b) research and development for applications of nuclear energy in such fields as agriculture, industry, medicine, and existing, and new innovative reactor technologies;
- (c) nuclear safety, emergency preparedness, planning and response, and radiation protection of people and the environment;
- (d) nuclear security and nuclear forensics;
- (e) nuclear safeguards;
- (f) supply of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, or technology;
- (g) industrial or commercial cooperation;
- (h) training and education, including access to and use of equipment, tritium-related equipment, and facilities;
- (i) provision of technical assistance and services;
- (j) exploration for and development of uranium and other natural resources;
- (k) management of nuclear spent fuel and radioactive waste;
- (l) decommissioning of nuclear facilities and environmental remediation;
and
- (m) regulatory aspects of the peaceful uses of nuclear energy.

2. Any cooperation under paragraph 1 must take place in accordance with this Agreement, applicable international agreements and arrangements, national laws, regulations, and policies in the United Kingdom and Canada.

ARTICLE III

Forms of Cooperation

1. The cooperation described in Article II may take the following forms, but is not limited to:

- (a) transfer of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, or technology;
- (b) exchange of scientific and technical information, data, and documentation;
- (c) exchange and training of personnel, including professional and advanced training for administrative, scientific, and technical personnel;
- (d) education in nuclear-related fields, including between academic institutions;
- (e) organisation of symposia and seminars, and other forms of provision of information to the public;
- (f) provision of relevant technical assistance and services;
- (g) participation by scientific and technical staff of one Party in research and development activities conducted by the other Party;
- (h) organisation of, and participation in, joint projects and establishment of joint ventures; and
- (i) commercial cooperation relating to the nuclear fuel cycle.

2. A Party shall not use this Agreement to secure commercial advantage or to interfere with the commercial relations of the other Party.

3. Each Party shall take all reasonable steps and use its best efforts, within applicable international and domestic laws and regulations, to facilitate the proper implementation of this Agreement.

ARTICLE IV

Items Subject to this Agreement

1. The following items are subject to this Agreement unless otherwise jointly determined by the Parties in writing:
 - (a) Nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology transferred between the territories, jurisdictions, or control of the Parties, whether directly or through a third party;
 - (b) Nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology produced, processed, derived, fabricated, or obtained from items subject to this Agreement, other than nuclear material that is produced or processed in plants for the conversion of uranium subject to this Agreement;
 - (c) Nuclear material, non-nuclear material, tritium, equipment, and tritium-related equipment, that:
 - (i) was subject to the Canada-Euratom Agreement;
 - (ii) originated within the territory, jurisdiction, or under the control of a Party; and
 - (iii) was within the territory, jurisdiction, or under the control of the other Party on the date that this Agreement enters into force.
2. The Parties shall establish an inventory list of items referred to in paragraph 1(c).
3. Items other than those covered by paragraph 1 are subject to this Agreement when the Parties have jointly determined in writing.
4. Prior to any transfer between the Parties, whether directly or through a third party, of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, or technology subject to this Agreement, the Parties shall exchange written notifications.
5. Natural uranium, depleted uranium, other source materials, uranium enriched to less than 20 percent in the isotope Uranium-235, and heavy water transferred to a Party from a third party that has identified these items as being subject to a nuclear cooperation agreement with the United Kingdom or Canada are deemed to be supplied under this Agreement. In this case, the Parties shall waive the requirement for an exchange of written notifications, as per paragraph 4, and these items become subject to this Agreement upon receipt.

ARTICLE V

Retransfers

1. A Party shall obtain the written consent of the other Party prior to the retransfer of any nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, or technology subject to this Agreement beyond its territory, jurisdiction, or control to a third party.

2. In the case of natural uranium, depleted uranium, other source materials, uranium enriched to less than 20 per cent in the isotope Uranium-235, and heavy water, the Parties provide their consent to the future retransfer of these items by the Parties to third parties provided that:

- (a) The third parties have been identified by the Parties in writing through diplomatic channels;
- (b) Procedures acceptable to both Parties that relate to such retransfers are established; and
- (c) The items to be retransferred are subsequently made subject to a nuclear cooperation agreement between Canada and that third party, for retransfers from the United Kingdom, or the United Kingdom and that third party, for retransfers from Canada.

ARTICLE VI

Enrichment

A Party shall obtain the written consent of the other Party prior to the enrichment of any nuclear material subject to this Agreement to 20 per cent or more in the isotope Uranium-235. Such consent, if granted, must describe the conditions under which the resultant uranium enriched to 20 per cent or more subject to this Agreement, may be stored, used or transferred. The Parties may establish procedures to facilitate the implementation of this Article.

ARTICLE VII

Reprocessing

1. The Parties shall consent to the reprocessing of nuclear fuel containing nuclear material subject to this Agreement provided that such reprocessing takes place in accordance with the following:

- (a) Reprocessing takes place in facilities subject to the Parties' respective safeguards agreements for the purpose of energy use or management of materials contained in spent fuel, once information (including details on the policy, legal and regulatory framework, and safeguards arrangements, relevant to reprocessing and plutonium storage, use, and transportation) on the nuclear energy programme of the Party in question has been received by the other Party, and the Parties have determined that the reprocessing and plutonium storage or use are an integral part of the described nuclear energy programme;
- (b) The recovered plutonium is only stored or used (including for research) in accordance with the nuclear energy programme referred to in paragraph 1(a), and in accordance with Article VIII.

2. The Parties shall hold consultations within forty (40) days of the receipt of a request from either Party:

- (a) to review the operation of this Article;
- (b) to consider amendments to the nuclear energy programme referred to in paragraph 1(a);
- (c) to consider improvements in international safeguards and other control techniques, including the establishment of new and generally accepted international mechanisms relevant to reprocessing and plutonium; or
- (d) to consider proposals for reprocessing, and use, storage and transportation of the recovered plutonium for other peaceful non-explosive purposes, including research.

ARTICLE VIII

Peaceful Uses, Safeguards and Fallback Safeguards

1. Cooperation under this Agreement must be exclusively for peaceful purposes.
2. Nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology subject to this Agreement must not be used to manufacture, develop, or otherwise acquire nuclear weapons or other nuclear explosive devices.
3. In accordance with paragraph 2, all nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment and technology, subject to this Agreement within the territories, jurisdictions or under the control of the Parties must be subject to appropriate safeguards procedures (including verification, if required), which are consistent with the international obligations of each Party, in particular:
 - (a) in Canada, pursuant to the Canada-IAEA Safeguards Agreement; and
 - (b) in the United Kingdom, pursuant to the United Kingdom-IAEA Safeguards Agreement.
4. If for any reason or at any time the IAEA is not administering the safeguards referred to in paragraph 3 within the territory, jurisdiction or under the control of a Party, that Party shall, without delay, arrange for the application of safeguards satisfactory to both Parties that conform with IAEA safeguards principles and procedures, and that provide reassurance equivalent to that intended to be secured by the safeguards system they replace. The Parties shall consult and assist each other in the application of such a safeguards system.

ARTICLE IX

Extent of Application of this Agreement

1. Nuclear material that is subject to this Agreement remains subject to this Agreement until:
 - (a) it is determined that it is either no longer usable or practicably recoverable for processing into a form usable for any nuclear activity relevant from the point of view of the safeguards referred to in Article VIII. The Parties shall accept a determination made by the IAEA in accordance with the provisions for the termination of safeguards of the relevant safeguards agreement to which the IAEA is a party. In the absence of a determination by the IAEA, a determination may be made by mutual decision of the competent authorities, in accordance with the principles applied by the IAEA for this purpose;

- (b) it has been retransferred to a third party in accordance with Article V; or
 - (c) otherwise jointly determined in writing by the Parties.
- 2. Non-nuclear material, tritium, equipment, and tritium-related equipment remains subject to this Agreement until it is:
 - (a) retransferred to a third party in accordance with Article V; or
 - (b) otherwise jointly determined in writing by the Parties.
- 3. Technology remains subject to this Agreement until otherwise jointly determined in writing by the Parties.
- 4. This Agreement must not be interpreted to affect the rights and obligations that arise or result from the international agreements, treaties, and conventions that are in force for the Parties.

ARTICLE X

Nuclear Security

In addition to the Parties' obligations under the CPPNM as set out in IAEA document INFCIRC/274 as may be amended from time to time, each Party shall take measures to ensure effective nuclear security, including physical protection, of nuclear material and, if necessary, of non-nuclear material, tritium, equipment, tritium-related equipment, and technology within their territory, jurisdiction, or under their control and subject to this Agreement. In regard to nuclear material, the Parties shall apply, as a minimum, measures of physical protection that satisfy the requirements of IAEA document INFCIRC/225/Rev.5 entitled "Nuclear Security Recommendations on Physical Protection of Nuclear Material and Nuclear Facilities" as may be revised from time to time. Any such revision applies to this Agreement unless a Party has notified the other Party in writing that it does not accept the revision.

ARTICLE XI

Administrative Arrangement

1. The Parties, through their respective competent authorities, shall establish an administrative arrangement to facilitate the effective implementation of this Agreement. Such an arrangement must include the procedures necessary for the competent authorities to implement and administer this Agreement. An administrative arrangement established pursuant to this paragraph may be amended by the competent authorities if they so decide.

2. Each Party shall, through their respective competent authorities, prepare and submit to the other Party an annual inventory list of all items subject to this Agreement that are within their respective territories, jurisdictions or under their control.

3. The competent authorities may consult at any time, at the request of either competent authority, to ensure the effective implementation and administration of this Agreement.

ARTICLE XII

Confidentiality of Information

1. The Parties shall take all appropriate measures in accordance with their respective laws, regulations, and policies to preserve the confidentiality of commercial and other confidential information received as a result of the implementation of this Agreement.

2. The Parties shall exclusively use the information transferred under this Agreement in accordance with this Agreement and not for any other purpose.

ARTICLE XIII

Intellectual Property

This Agreement is not intended to transfer any intellectual property rights. The intellectual property rights generated under the framework of the cooperation provided by this Agreement must be allocated on a case-by-case basis in any specific agreements or contracts associated with this Agreement.

ARTICLE XIV

Consultations

1. The Parties shall consult at any time, at the request of either Party, to ensure the effective fulfilment of the obligations of this Agreement. The IAEA may be invited to participate in such consultations upon the request of the Parties.

2. Each Party shall, upon the other Party's request, notify in writing to the other Party the results or overall conclusions of any report by the IAEA on the IAEA's verification activities in the territory, jurisdiction or under the control of the requested Party, relevant to the nuclear material subject to this Agreement.

3. The Parties shall consult at the request of either Party concerning matters relating to physical protection and nuclear security of nuclear material, non-nuclear

material, tritium, equipment, tritium-related equipment, and technology subject to this Agreement, including those concerning physical protection during international transportation.

4. At the request of either Party, the Parties shall consult on matters arising out of the implementation of this Agreement, to supervise its operation and to discuss arrangements for cooperation additional to those provided in this Agreement.

ARTICLE XV

Cessation of Cooperation

1. A supplier Party shall have the right in the event of non-compliance with Articles IV, V, VI, VII, VIII, X, XI, XII and XIV or non-compliance with, or repudiation of, IAEA safeguards agreements by the recipient Party, to suspend or cancel further transfers, in whole or in part, of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology, and to require the return, in whole or in part, of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology subject to this Agreement.

2. Before either Party takes any action described under paragraph 1, the Parties shall consult with a view to deciding on whether corrective or other measures are needed, and if so, the measures to be taken and the timeframes within which such measures must be taken.

ARTICLE XVI

Ongoing Cooperation

The Parties shall ensure that all previous cooperation between them pursuant to the Canada-Euratom Agreement continues in accordance with this Agreement, on the date of its entry into force.

ARTICLE XVII

Settlement of Disputes

1. The Parties shall promptly discuss any dispute between them concerning the interpretation or implementation of this Agreement with a view to resolving that dispute by negotiations.
2. Any dispute arising out of the interpretation or implementation of this Agreement that is not settled by negotiation or as may otherwise be decided between the Parties must, on the request of either Party, be submitted to an arbitral tribunal that is composed of three arbitrators in accordance with this Article.
3. Each Party shall designate one arbitrator and the two arbitrators so designated must elect a third, who is a national of a State Party to the NPT, but not of the United Kingdom or Canada, to be the Chair of the arbitral tribunal. The arbitral procedure must be fixed by the tribunal.
4. If within thirty (30) days of the request for arbitration either Party has not designated an arbitrator, the other Party to the dispute may request the President of the International Court of Justice to appoint an arbitrator for the Party which has not designated an arbitrator. The same procedure applies if, within thirty (30) days of the designation or appointment of the second arbitrator, the third arbitrator has not been appointed.
5. A majority of the members of the arbitral tribunal constitutes a quorum, and all decisions must be made by majority vote of all the members of the arbitral tribunal. The decisions of the tribunal are binding on both Parties. The Parties shall implement the decisions of the tribunal. The remuneration of the arbitrators must be determined on the same basis as that for ad hoc judges of the International Court of Justice.
6. Any arbitral tribunal award must be executed in compliance with all applicable legislation of the Parties and international law.

ARTICLE XVIII

Entry into Force, Amendment, Duration and Termination

1. Each Party shall notify the other Party in writing through diplomatic channels of the completion of its domestic requirements for entry into force of this Agreement. This Agreement enters into force on a date to be mutually determined and specified in these notifications, provided that it is a date after which the Euratom Treaty ceases to be applicable to and in the United Kingdom, and remains in force unless terminated in accordance with this Article.

2. This Agreement may be amended at any time by written agreement between the Parties. Any such amendment enters into force on the last date on which the Parties have notified each other in writing that their respective domestic requirements for its entry into force have been completed.

3. This Agreement remains in force for an initial period of thirty (30) years. If neither Party has notified the other Party of its intention to terminate this Agreement at least six (6) months prior to the expiry of that initial thirty-year period, this Agreement continues to be in force for additional periods of ten (10) years each unless, at least six (6) months before the expiration of any such additional period, a Party notifies the other Party of its intention to terminate this Agreement.

4. Unless otherwise agreed in writing between the Parties, termination, or suspension, of this Agreement or any cooperation under it for any reason does not release the Parties from obligations under Articles V to XV in respect of nuclear material, non-nuclear material, tritium, equipment, tritium-related equipment, and technology subject to this Agreement while it was in force.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Ottawa, Canada on 2nd November 2018 in the English and French languages, both texts being equally authentic.

**For The Government of the United
Kingdom of Great Britain and
Northern Ireland:**

**SUSAN LE JEUNE
D'ALLEGEERSHECQUE**

For The Government of Canada:

MARK GWOZDECKY

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