

No. 22947

**JAPAN
and
AUSTRALIA**

Agreement for co-operation in the peaceful uses of nuclear energy (with annexes, exchanges of notes, agreed minutes and record of discussions). Signed at Canberra on 5 March 1982

Authentic texts of the Agreement and annexes: Japanese and English.

Authentic texts of the exchanges of notes, agreed minutes and record of discussions: English.

Registered by Japan on 18 June 1984.

**JAPON
et
AUSTRALIE**

Accord de coopération pour l'utilisation de l'énergie nucléaire à des fins pacifiques (avec annexes, échanges de notes, procès-verbal approuvé et minutes du débat). Signé à Canberra le 5 mars 1982

Textes authentiques de l'Accord et des annexes : japonais et anglais.

Textes authentiques des échanges de notes, du procès-verbal approuvé et des minutes du débat : anglais.

Enregistré par le Japon le 18 juin 1984.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF JAPAN AND THE GOVERNMENT OF AUSTRALIA FOR CO-OPERATION IN THE PEACEFUL USES OF NUCLEAR ENERGY

The Government of Japan and the Government of Australia,

Recalling that they signed the Agreement between the Government of Japan and the Government of the Commonwealth of Australia for Co-operation in the Peaceful Uses of Atomic Energy on February 21, 1972;²

Desiring to continue and further develop their co-operation in the peaceful uses of nuclear energy;

Bearing in mind the Basic Treaty of Friendship and Co-operation between Japan and Australia, signed at Tokyo on June 16, 1976;³

Recognizing that both Japan and Australia are non-nuclear-weapon states which are parties to the Treaty on the Non-Proliferation of Nuclear Weapons, opened for signature at London, Moscow and Washington on July 1, 1968⁴ (hereinafter referred to as "the Non-Proliferation Treaty"), and affirming their support for the objectives of the Non-Proliferation Treaty and their desire to promote universal adherence thereto;

Desiring to establish conditions consistent with their commitment to nuclear non-proliferation under which co-operation in the peaceful uses of nuclear energy between the two countries can be carried out;

Desiring also to make long-term co-operative arrangements in the field of the peaceful uses of nuclear energy in a predictable and practical manner, which take into account the needs of long-term nuclear energy programs and their shared objectives of nuclear non-proliferation;

Have agreed as follows:

Article I. 1. Subject to the provisions of this Agreement, and the laws, regulations, licence requirements and administrative procedures from time to time in force in their respective countries, the Contracting Parties shall co-operate in the peaceful non-explosive uses of nuclear energy in the two countries in the following ways:

- (a) The Contracting Parties shall encourage co-operation between their respective organizations, public and private, by exchanges of experts, including those in the scientific and technological fields. When execution of an agreement or contract pursuant to this Agreement between Japanese and Australian organizations requires such exchanges of experts, the Contracting Parties shall facilitate the entry of such experts to their territory and their stay therein.
- (b) The Contracting Parties shall facilitate supply and exchange of unclassified information on such terms as may be agreed, either between themselves,

¹ Came into force on 7 August 1982, the date on which the Contracting Parties informed each other of the completion of the required constitutional procedures, in accordance with article XI (1).

² United Nations, *Treaty Series*, vol. 1002, p. 3.

³ *Ibid.*, vol. 1103, p. 105.

⁴ *Ibid.*, vol. 729, p. 161.

between persons under their jurisdiction or between either Contracting Party and persons under the jurisdiction of the other Contracting Party.

- (c) Either Contracting Party or persons under its jurisdiction authorized by it may supply to or receive from the other Contracting Party or persons under its jurisdiction authorized by it nuclear material, material, equipment and sensitive technology on such terms as may be agreed between the supplier and the recipient.
- (d) Either Contracting Party or persons under its jurisdiction authorized by it may perform services for or receive services from the other Contracting Party or persons under its jurisdiction authorized by it on matters within the scope of this Agreement on such terms as may be agreed between the supplier and the recipient.

2. The Contracting Parties may also co-operate in the peaceful non-explosive uses of nuclear energy in ways additional to those enumerated in paragraph 1 of this Article.

Article II. 1. Subject to the provisions of paragraphs 2, 3, 4 and 5 of this Article, the following shall be subject to this Agreement:

- (a) Nuclear material, material, equipment and sensitive technology transferred between Japan and Australia, whether directly or through a third country, after the entry into force of this Agreement;
- (b) Nuclear material and equipment falling within the scope of the Agreement between the Government of Japan and the Government of the Commonwealth of Australia for Co-operation in the Peaceful Uses of Atomic Energy, signed at Canberra on February 21, 1972, which are within the jurisdiction of a Contracting Party, at the time of termination of that Agreement;
- (c) Nuclear material prepared by chemical or physical processes or isotopic separation, or produced by irradiation, from nuclear material subject to this Agreement; provided that the nuclear material so prepared or produced shall only be regarded as falling within the scope of this sub-paragraph in proportion to the percentage of the quantity of such nuclear material subject to this Agreement and used in its preparation or production in the total quantity of nuclear material used in its preparation or production;
- (d) Nuclear material prepared, produced or used in, or in connection with, equipment subject to this Agreement;
- (e) Equipment which the recipient Contracting Party, or the supplier Contracting Party after consultation with the recipient Contracting Party, has designated as equipment designed, constructed or operated with the use of sensitive technology subject to this Agreement; and
- (f) Equipment relating to the enrichment or reprocessing of nuclear material or to the production of heavy water which the recipient Contracting Party, or the supplier Contracting Party after consultation with the recipient Contracting Party, has designated as equipment using important technology obtained directly from equipment specified in sub-paragraph (a) or (b) and subject to this Agreement and relating to the enrichment or reprocessing of nuclear material or to the production of heavy water, it being understood that the term "important technology" as used in the foregoing sentence

means such technology as is essential and specific to enrichment, reprocessing or heavy water production.

2. Nuclear material, material, equipment and sensitive technology specified in sub-paragraph (a) of paragraph 1 of this Article shall be subject to this Agreement, only if the supplier Contracting Party has so notified the recipient Contracting Party in writing prior to the transfer.

3. Nuclear material, material, equipment and sensitive technology specified in sub-paragraph (a) of paragraph 1 of this Article shall become subject to this Agreement when such items enter the jurisdiction of a Contracting Party.

4. Nuclear material, material, equipment and sensitive technology specified in paragraph 1 of this Article shall remain subject to this Agreement until such items have been transferred beyond the jurisdiction of a Contracting Party in accordance with the provisions of sub-paragraph (a) of paragraph 1 of Article V of this Agreement.

5. (a) Nuclear material specified in paragraph 1 of this Article shall cease to be subject to this Agreement if it is determined that it has been consumed, or has been diluted in such a way that it is no longer usable for any nuclear activity relevant from the point of view of safeguards, or has become practicably irrecoverable; or if so accepted in writing by both Contracting Parties. Material, equipment and sensitive technology specified in paragraph 1 of this Article shall cease to be subject to this Agreement if it is determined that such items are no longer usable.

(b) For the purpose of determining when nuclear material specified in paragraph 1 of this Article has been consumed, or has been diluted in such a way that it is no longer usable for any nuclear activity relevant from the point of view of safeguards, or has become practicably irrecoverable, the Contracting Parties shall accept a determination made by the International Atomic Energy Agency (hereinafter referred to as "the Agency") in accordance with the provisions for the termination of safeguards in the relevant agreement concluded under the Non-Proliferation Treaty and referred to in paragraph 2 of Article III of this Agreement.

Article III. 1. Nuclear material, material, equipment and sensitive technology subject to this Agreement shall not be used for the development or the manufacture of nuclear weapons or other nuclear explosive devices, or be used in such a way as to further any military purpose.

2. Nuclear material subject to this Agreement shall be subject, while within the territory of a Contracting Party, to safeguards applied by the Agency, and, where the Government of Japan is that Contracting Party, by the Agency and the Government of Japan, pursuant to an agreement concluded between that Contracting Party and the Agency under the Non-Proliferation Treaty; or, if the Agency has ceased to apply such safeguards in the territory of that Contracting Party, to safeguards under an agreement or agreements to which that Contracting Party and the Agency are parties and which provide for safeguards equivalent in scope and effect to those provided by an agreement concluded under the Non-Proliferation Treaty.

3. If the safeguards referred to in paragraph 2 of this Article have ceased to be applied, the Contracting Parties shall forthwith enter into an agreement for

the application of a safeguards system which conforms with safeguards principles and procedures of the Agency.

Article IV. 1. In respect of nuclear material subject to this Agreement, the Contracting Parties shall apply measures of physical protection along the criteria which are adopted by each Contracting Party and which bring about, as a minimum, protection comparable to that resulting from the application of the guidelines set out in Annex A of this Agreement.

2. Material, equipment and sensitive technology subject to this Agreement shall, as necessary, be protected under the relevant laws and regulations in force in the respective countries.

3. The Contracting Parties shall consult promptly at the request of either Contracting Party on matters covered by paragraphs 1 and 2 of this Article.

Article V. 1. (a) Nuclear material, material, equipment and sensitive technology subject to this Agreement shall only be transferred beyond the jurisdiction of a Contracting Party with the prior written consent of the other Contracting Party.

(b) Nuclear material subject to this Agreement shall only be reprocessed according to the conditions agreed between the Contracting Parties as specified in Annex B of this Agreement.

(c) Nuclear material subject to this Agreement shall only be enriched beyond twenty per cent in the isotope uranium-235 according to conditions accepted in writing by both Contracting Parties.

(d) Equipment subject to this Agreement shall only be used for the enrichment of uranium beyond twenty per cent in the isotope uranium-235 according to conditions accepted in writing by both Contracting Parties.

2. The sole purpose in applying paragraph 1 of this Article shall be to ensure that the items specified in the said paragraph will not be used for the development or the manufacture of nuclear weapons or other nuclear explosive devices or in such a way as to further any military purpose. In no event shall either Contracting Party use the provisions of this Agreement for the purpose of seeking commercial or industrial advantages, or for the purpose of interfering with the commercial or industrial interests of the other Contracting Party or persons under its jurisdiction, or for the purpose of hindering the promotion of the peaceful uses of nuclear energy.

Article VI. 1. The Contracting Parties shall consult promptly at the request of either Contracting Party on matters arising out of the application of this Agreement, with a view to reaching a conclusion expeditiously. Either Contracting Party may, where appropriate, invite the Agency to participate in these consultations with the consent of the other Contracting Party.

2. If nuclear material subject to this Agreement is present in the territory of a Contracting Party, that Contracting Party shall, upon request, inform the other Contracting Party in writing of the most recent overall conclusions which the Agency has drawn from its verification activities in accordance with the relevant agreement between that Contracting Party and the Agency concluded under the Non-Proliferation Treaty and referred to in paragraph 2 of Article III of this Agreement.

3. The Contracting Parties shall establish implementation procedures to ensure the effective fulfilment of the obligations of this Agreement.

4. The Contracting Parties shall take appropriate precautions to preserve the confidentiality of commercial, industrial and other secrets received by them on matters within the scope of this Agreement.

Article VII. 1. If a Contracting Party should continue to fail to carry out the obligations under Article III, Article IV or Article V of this Agreement, or the decisions of the arbitral tribunal referred to in Article VIII of this Agreement, after a reasonable period of time following a request in writing by the other Contracting Party to take corrective steps and subsequent consultations, or should have detonated a nuclear explosive device, nuclear material, material, equipment or sensitive technology subject to this Agreement shall be returned from the jurisdiction of the first-mentioned Contracting Party to that other Contracting Party upon request to that effect of that other Contracting Party.

2. The return of nuclear material, material, equipment or sensitive technology subject to this Agreement from the jurisdiction of a Contracting Party to the other Contracting Party in accordance with the provisions of paragraph 1 of this Article shall be subject to consultations between that other Contracting Party and all the governments of third countries having relevant rights over such nuclear material, material, equipment or sensitive technology under their respective agreements with the first-mentioned Contracting Party, and subject to payment therefor at prices then current.

3. The provisions of this Agreement shall not prejudice any question of suspension by a Contracting Party of transfers of nuclear material, material, equipment or sensitive technology to the jurisdiction of the other Contracting Party, whether directly or through a third country.

Article VIII. Any dispute arising out of the interpretation or application of this Agreement which is not settled by negotiation or another procedure agreed to by the Contracting Parties shall, at the request of either Contracting Party, be submitted to an arbitral tribunal which shall be composed of three arbitrators appointed in accordance with the provisions of this Article. Each Contracting Party shall designate one arbitrator who may be a national of its country and the two arbitrators so designated shall elect a third, a national of a third country, who shall be the Chairman. If, within thirty days of the request for arbitration, either Contracting Party has not designated an arbitrator, either Contracting Party may request the President of the International Court of Justice to appoint an arbitrator. The same procedure shall apply if, within thirty days of the designation or appointment of the second arbitrator, the third arbitrator has not been elected, provided that the third arbitrator so appointed shall not be a national of the country of either Contracting Party. A majority of the members of the arbitral tribunal shall constitute a quorum, and all decisions shall require the concurrence of two arbitrators. The arbitral procedure shall be fixed by the tribunal. The decisions of the tribunal shall be binding on the Contracting Parties.

Article IX. For the purposes of this Agreement:

(a) "Equipment" means items of machinery, plant or instrumentation, or major components thereof, which are specially designed and/or manufactured for use in nuclear activities, and which are specified in Part A of Annex C of this Agreement;

(b) “Material” means material for reactors, which is specified in Part B of Annex C of this Agreement; but the term “material” shall not include “nuclear material” as defined in paragraph (c) of this Article;

(c) “Nuclear material” means (i) “source material”, namely, uranium containing the mixture of isotopes occurring in nature; uranium depleted in the isotope 235; thorium; any of the foregoing in the form of metal, alloy, chemical compound, or concentrate; any other substance containing one or more of the foregoing in such concentration as may be accepted in writing by both Contracting Parties; and such other substance as may be accepted in writing by both Contracting Parties; and (ii) “special fissionable material”, namely, plutonium-239; uranium-233; uranium-235; uranium enriched in the isotopes 233 or 235; any substance containing one or more of the foregoing; and such other substance as may be accepted in writing by both Contracting Parties. The term “special fissionable material” shall not include “source material”;

(d) “Information” means technical data in physical form including but not limited to technical drawings, photographic negatives and prints, recordings, design data and technical and operating manuals that can be used in design, production, operation or testing of nuclear material, material or equipment, except data available to the public;

(e) “Unclassified information” means information not bearing a security classification; and

(f) “Sensitive technology” means information relating to the enrichment or reprocessing of nuclear material or to the production of heavy water, or such other information as may be accepted in writing by both Contracting Parties, which is designated as such by the supplier Contracting Party after consultation with the recipient Contracting Party and prior to the supply of such information to be specially controlled for the purpose of non-proliferation of nuclear explosive devices.

Article X. The Annexes of this Agreement form an integral part of this Agreement. The Annexes may be amended by mutual consent in writing of the Contracting Parties without modification of this Agreement.

Article XI. 1. This Agreement shall enter into force on the date on which the Contracting Parties exchange Notes notifying each other that their respective constitutional requirements necessary to give effect to this Agreement have been complied with and shall remain in force for a period of thirty years, and shall continue in force thereafter until terminated in accordance with the provisions of paragraph 2 of this Article.

2. Either Contracting Party may, by giving six months’ written notice to the other Contracting Party, terminate this Agreement at the end of the initial thirty-year period or at any time thereafter.

3. The Agreement between the Government of Japan and the Government of the Commonwealth of Australia for Co-operation in the Peaceful Uses of Atomic Energy, signed at Canberra on February 21, 1972, shall be terminated on the date on which this Agreement enters into force.

4. Notwithstanding the termination of this Agreement, nuclear material, material, equipment and sensitive technology which are subject to this Agreement at the time of its termination shall remain subject to the provisions of

Article II, Article III, Article IV, Article V, Article VI, Article VII, Article VIII and Article IX of this Agreement or as otherwise agreed between the Contracting Parties.

5. Should circumstances arise which in the view of either Contracting Party make any of the provisions of this Agreement inappropriate or, in any event, within fifteen years after the entry into force of this Agreement, the Contracting Parties shall consult with a view to determining whether it shall be revised.

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

DONE in duplicate at Canberra this fifth day of March, one thousand nine hundred and eighty-two, in the Japanese and English languages, both texts being equally authentic.

For the Government
of Japan:
MIZUO KURODA

For the Government
of Australia:
A. A. STREET

ANNEX A

GUIDELINES FOR LEVELS OF PHYSICAL PROTECTION

The agreed levels of physical protection to be ensured by the appropriate governmental authorities in the use, storage and transportation of nuclear material as categorized in the attached table shall as a minimum include protection characteristics as follows:

1. *Category III*

(a) Use and storage within an area to which access is controlled.

(b) Transportation under special precautions including prior arrangements among sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of supplier and recipient states, respectively, in case of international transport specifying time, place and procedures for transferring transport responsibility.

2. *Category II*

(a) Use and storage within a protected area to which access is controlled, i.e., an area under constant surveillance by guards or electronic devices, surrounded by a physical barrier with a limited number of points of entry under appropriate control, or any area with an equivalent level of physical protection.

(b) Transportation under special precautions including prior arrangements among sender, recipient and carrier, and prior agreement between entities subject to the jurisdiction and regulation of supplier and recipient states, respectively, in case of international transport specifying time, place and procedures for transferring transport responsibility.

3. *Category I*

Nuclear material in this Category shall be protected with highly reliable systems against unauthorized use as follows:

(a) Use and storage within a highly protected area, i.e., a protected area as defined for Category II above, to which, in addition, access is restricted to persons whose trust-

worthiness has been determined, and which is under surveillance by guards who are in close communication with appropriate response authorities. Specific measures taken in this context should have as their objective the detection and prevention of any assault, unauthorized access or unauthorized removal of the nuclear material concerned.

(b) Transportation under special precautions as identified above for transportation of Category II and III nuclear material and, in addition, under constant surveillance by escorts and under conditions which assure close communication with appropriate response authorities.

TABLE. CATEGORIZATION OF NUCLEAR MATERIAL

<i>Nuclear material</i>	<i>Form</i>	<i>Category I</i>	<i>Category II</i>	<i>Category III</i>
1. Plutonium ^a	Unirradiated ^b	2 kg or more	Less than 2 kg but more than 500 g	500 g or less ^c
2. Uranium-235	Unirradiated ^b :			
	Uranium enriched to 20% ²³⁵ U or more	5 kg or more	Less than 5 kg but more than 1 kg	1 kg or less ^c
	Uranium enriched to 10% ²³⁵ U but less than 20%		10 kg or more	Less than 10 kg ^c
	Uranium enriched above natural, but less than 10% ²³⁵ U ^d			10 kg or more
3. Uranium-233	Unirradiated ^b	2 kg or more	Less than 2 kg but more than 500 g	500 g or less ^c
4. Irradiated fuel			Depleted or natural uranium, thorium or low-enriched fuel (less than 10% fissile content) ^{e, f}	

^a Plutonium with an isotopic concentration of plutonium-238 exceeding 80% shall not be included.

^b Nuclear material not irradiated in a reactor or nuclear material irradiated in a reactor but with a radiation level equal to or less than 100 rads/hour at one metre unshielded.

^c Less than a radiologically significant quantity should be exempted.

^d Natural uranium, depleted uranium and thorium and quantities of uranium enriched to less than 10% not falling in Category III should be protected in accordance with prudent management practice.

^e Although this level of protection is recommended, it would be open to a Contracting Party, upon evaluation of the specific circumstances, to assign a different category of physical protection.

^f Other fuel which by virtue of its original fissile content is classified as Category I or II before irradiation may be reduced one category level while the radiation level from the fuel exceeds 100 rads/hour at one metre unshielded.

ANNEX B

REPROCESSING

1. The Contracting Parties recognize the role of reprocessing in the peaceful uses of nuclear energy through its association with efficient energy use and management of substances contained in spent fuel. They also acknowledge that the separation and use of

plutonium require particular care to minimize the risk of nuclear proliferation and that support should be given to the development of appropriate international mechanisms relevant to reprocessing or plutonium.

2. Nuclear material subject to this Agreement may be reprocessed subject to the following conditions:

- (a) Reprocessing shall take place under Agency safeguards for the purpose of energy use or management of substances contained in spent fuel, within the delineated and recorded nuclear fuel cycle program set out in an implementing arrangement agreed between the Contracting Parties; and
- (b) The plutonium separated by reprocessing shall be stored and used under Agency safeguards within the delineated and recorded nuclear fuel cycle program referred to in sub-paragraph (a) above.

3. (a) The conditions set out in paragraph 2 of this Annex shall also serve as those in respect of reprocessing outside the jurisdiction of the Government of Japan of Australia-related nuclear material.

(b) The term "Australia-related nuclear material" means any nuclear material as defined in paragraph (c) of Article IX of this Agreement falling within the scope of sub-paragraph (a), (b), (c) or (d) of paragraph 1 of Article II of this Agreement which is within the delineated and recorded Japanese Nuclear Fuel Cycle Program and which is either within the jurisdiction of the Government of Japan and is subject to this Agreement or which is outside the jurisdiction of the Government of Japan but would be subject to this Agreement if the sole condition of it being within the jurisdiction of the Government of Japan were met; it being understood that the term "the delineated and recorded Japanese Nuclear Fuel Cycle Program" as used in the foregoing sentence means the delineated and recorded nuclear fuel cycle program referred to in sub-paragraph (a) of paragraph 2 of this Annex which is set out in respect of Japan.

4. Reprocessing of nuclear material subject to this Agreement, and the use of the plutonium separated by reprocessing, not falling within the scope of sub-paragraphs (a) and (b) of paragraph 2 of this Annex, respectively, shall only take place for peaceful non-explosive purposes including research, under sub-paragraph (b) of paragraph 1 of Article V of this Agreement, according to conditions accepted in writing by both Contracting Parties following consultations under paragraph 5 of this Annex.

5. The Contracting Parties shall consult within thirty days of the receipt of a request from either Contracting Party, in order, *inter alia*:

- (a) To review the operation of the provisions of this Annex and to consider matters related thereto;
- (b) To take account of improvements in international safeguards and other nuclear non-proliferation measures including the establishment of new and generally accepted international mechanisms relevant to reprocessing or plutonium;
- (c) To consider proposals for amendment of this Annex, taking account, *inter alia*, of the improvements referred to in sub-paragraph (b) above; and
- (d) To consider proposals for the reprocessing of nuclear material subject to this Agreement, and for the use of the plutonium separated by reprocessing, falling within the scope of paragraph 4 of this Annex.

ANNEX C

PART A

1. *Nuclear reactors.* Nuclear reactors capable of operation so as to maintain a controlled self-sustaining fission chain reaction, excluding zero energy reactors, the latter

being defined as reactors with a designed maximum rate of production of plutonium not exceeding 100 grams per year.

A “nuclear reactor” basically includes the items within or attached directly to the reactor vessel, the equipment which controls the level of power in the core, and the components which normally contain or come in direct contact with or control the primary coolant of the reactor core.

It is not intended to exclude reactors which could reasonably be capable of modification to produce significantly more than 100 grams of plutonium per year. Reactors designed for sustained operation at significant power levels, regardless of their capacity for plutonium production, are not considered as “zero energy reactors”.

2. *Reactor pressure vessels.* Metal vessels, as complete units or as major shop-fabricated parts therefor, which are especially designed or prepared to contain the core of a nuclear reactor as defined in paragraph 1 above and are capable of withstanding the operating pressure of the primary coolant.

A top plate for a reactor pressure vessel is a major shop-fabricated part of a pressure vessel.

3. *Reactor internals* (e.g., support columns and plates for the core and other vessel internals, control rod guide tubes, thermal shields, baffles, core grid plates, diffuser plates, etc.).

4. *Reactor fuel charging and discharging machines:* Manipulative equipment especially designed or prepared for inserting or removing fuel in a nuclear reactor as defined in paragraph 1 above capable of on-load operation or employing technically sophisticated positioning or alignment features to allow complex off-load fuelling operations such as those in which direct viewing of or access to the fuel is not normally available.

5. *Reactor control rods.* Rods especially designed or prepared for the control of the reaction rate in a nuclear reactor as defined in paragraph 1 above.

This item includes, in addition to the neutron absorbing parts, the support or suspension structures therefor if supplied separately.

6. *Reactor pressure tubes.* Tubes which are especially designed or prepared to contain fuel elements and the primary coolant in a reactor as defined in paragraph 1 above at an operating pressure in excess of 50 atmospheres.

7. *Zirconium tubes.* Zirconium metal and alloys in the form of tubes or assemblies of tubes especially designed or prepared for use in a reactor as defined in paragraph 1 above, and in which the relationship of hafnium to zirconium is less than 1:500 parts by weight.

8. *Primary coolant pumps.* Pumps especially designed or prepared for circulating liquid metal as primary coolant for nuclear reactors as defined in paragraph 1 above.

9. *Plants for the reprocessing of irradiated fuel elements, and equipment especially designed or prepared therefor.* A “plant for the reprocessing of irradiated fuel elements” includes the equipment and components which normally come in direct contact with and directly control the irradiated fuel and the major nuclear material and fission product processing streams. In the present state of technology only two items of equipment are considered to fall within the meaning of the phrase “equipment especially designed or prepared therefor”. These items are as follows:

- (a) Irradiated fuel element chopping machines: remotely operated equipment especially designed or prepared for use in a reprocessing plant as identified above and intended to cut, chop or shear irradiated nuclear fuel assemblies, bundles or rods; and
- (b) Critically safe tanks (e.g., small diameter, annular or slab tanks) especially designed or prepared for use in a reprocessing plant as identified above, intended for dissolution

of irradiated nuclear fuel and which are capable of withstanding hot, highly corrosive liquid, and which can be remotely loaded and maintained.

10. *Plants for the fabrication of fuel elements.* A “plant for the fabrication of fuel elements” includes the following:

- (a) Equipment which normally comes in direct contact with, or directly processes or controls, the production flow of nuclear material, and
- (b) Equipment which seals the nuclear material within the cladding.

The whole set of items for the foregoing operations is also included in a “plant for the fabrication of fuel elements”, as well as individual items intended for any of the foregoing operations, and for other fuel fabrication operations such as checking the integrity of the cladding or the seal, and the finish treatment to the sealed fuel.

11. *Equipment, other than analytical instruments, especially designed or prepared for the separation of isotopes of uranium.* “Equipment, other than analytical instruments, especially designed or prepared for the separation of isotopes of uranium” includes each of the major items of equipment especially designed or prepared for the separation process.

12. *Plants for the production of heavy water.* A “plant for the production of heavy water” includes the plant and equipment especially designed for the enrichment of deuterium or its compounds, as well as any significant fraction of the items essential to the operation of the plant.

PART B

13. *Deuterium and heavy water.* Deuterium and any deuterium compound in which the ratio of deuterium to hydrogen exceeds 1:5000 for use in a nuclear reactor as defined in paragraph 1 above.

14. *Nuclear grade graphite.* Graphite having a purity level better than 5 parts per million boron equivalent and with a density greater than 1.50 grams per cubic centimetre.

EXCHANGES OF NOTES

I a

Canberra, March 5, 1982

Sir,

I have the honour to refer to sub-paragraph 1 (b) of Article V of the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of Nuclear Energy which was signed today and Annex B of the said Agreement.

I have further the honour to refer to the discussions held between the representatives of the two Governments concerning reprocessing of nuclear material, during the course of which discussions the “Japanese Nuclear Fuel Cycle Program” was prepared and presented by the Government of Japan. The said Program contemplates, *inter alia*, reprocessing of nuclear material in third

countries as well as in Japan; the said Program may be modified from time to time by the Government of Japan.

I have further the honour to propose, on behalf of the Government of Japan, that the "Implementing Arrangement" attached hereto shall serve as an implementing arrangement agreed between the Contracting Parties referred to in the said Annex.

If the foregoing proposal is acceptable to the Government of Australia, I have further the honour to propose that this Note and your reply to that effect shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the said Agreement.

Accept, Sir, the renewed assurance of my highest consideration.

MIZUO KURODA
Ambassador Extraordinary and Plenipotentiary
of Japan

The Hon. A. A. Street, M.P.
Minister for Foreign Affairs
of Australia

IMPLEMENTING ARRANGEMENT

I. The delineated and recorded nuclear fuel cycle program referred to in Annex B of the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of Nuclear Energy signed at Canberra on March 5, 1982 (hereinafter referred to as "the Agreement") shall be, in respect of Japan, that part of the "Japanese Nuclear Fuel Cycle Program" attached hereto which is specified in sub-paragraphs (a) and (b) below (hereinafter referred to as "the delineated and recorded Japanese Nuclear Fuel Cycle Program"):

(a) For Processing, Use and Reprocessing of ANM

- (i) Processing of ANM, including conversion, enrichment and fuel fabrication: the facilities listed in sections 1, 2, 3 and 4 of the Japanese Nuclear Fuel Cycle Program;
- (ii) Use of ANM: LWRs, both the boiling type and the pressurised type, ATRs and FBRs listed in section 5 of the Japanese Nuclear Fuel Cycle Program;
- (iii) Reprocessing of ANM irradiated in LWRs, ATRs and FBRs listed in section 5 of the Japanese Nuclear Fuel Cycle Program, or in the development and demonstration projects listed in section 8 of the Japanese Nuclear Fuel Cycle Program: the facilities listed in section 6 (a) of the Japanese Nuclear Fuel Cycle Program; and
- (iv) Utilization of ANM for development and demonstration projects: the projects listed in section 8 of the Japanese Nuclear Fuel Cycle Program.

(b) For Storage of Separated Plutonium: Storage of plutonium which is ANM and which is separated by reprocessing referred to in sub-paragraph (a) (iii) above or in development and demonstration projects referred to in sub-paragraph (a) (iv) above, and which is not in that part of the Japanese Nuclear Fuel Cycle Program which is specified in

sub-paragraph (a) above: the facilities listed in section 7 of the Japanese Nuclear Fuel Cycle Program.

II. On establishment of a credible and effective international plutonium storage scheme, which is acceptable to the two Governments, they will take appropriate measures for the implementation of such a scheme in accordance with the provisions of the Agreement, Annex B thereof and the present Implementing Arrangement and with the relevant laws and regulations from time to time in force in their respective countries in respect of the plutonium which is ANM and which is separated by reprocessing referred to in sub-paragraph I (a) (iii) above or in development and demonstration projects referred to in sub-paragraph I (a) (iv) above, while it is not in that part of the Japanese Nuclear Fuel Cycle Program which is specified in sub-paragraph I (a) above.

III. 1. The following addition of facilities to or deletion of facilities or development and demonstration projects from the delineated and recorded Japanese Nuclear Fuel Cycle Program may be made by the Government of Japan, but only by prompt notification to the Government of Australia:

(a) Addition to the delineated and recorded Japanese Nuclear Fuel Cycle Program of the following types of commercial-scale facilities:

- Those within Japan of a type already referred to in sections 1, 2, 3, 4, 5 and 6 (a) of the Japanese Nuclear Fuel Cycle Program;
- Those in a third country of a type already referred to, in respect of that third country, in sections 1, 2, 3, 4 and 6 (a) of the Japanese Nuclear Fuel Cycle Program and subject to the same safeguards regime as the facilities already referred to therein;

(b) Deletion from the delineated and recorded Japanese Nuclear Fuel Cycle Program of any facilities or any development and demonstration projects.

2. Proposals by the Government of Japan for addition of facilities not falling within the scope of paragraph 1 above, or of development and demonstration projects, to the delineated and recorded Japanese Nuclear Fuel Cycle Program, and proposals by the Government of Australia for deletion from the delineated and recorded Japanese Nuclear Fuel Cycle Program of third country facilities the safeguards regime in respect of which has fundamentally changed, or of facilities in a third country to which the Government of Australia has suspended or cancelled nuclear transfers from Australia on the ground of its decision that there has been non-compliance by that third country with the relevant agreement regarding nuclear transfers with Australia, shall be the subject of consultations under paragraph 5 of Annex B of the Agreement. Any such addition or deletion shall be made by agreement of the two Governments.

IV. The Government of Australia shall notify the government of a third country of the facilities therein which are within the delineated and recorded Japanese Nuclear Fuel Cycle Program and shall advise the said government that the reprocessing under the agreement regarding nuclear transfers between Australia and that third country of ANM in its country may take place provided only that the conditions referred to in paragraph 3 of Annex B of the Agreement are met.

V. For the purposes of the present Implementing Arrangement:

(a) The term “ANM” means Australia-related nuclear material as defined in Annex B of the Agreement; and

(b) The terms “the government of a third country” and “third country” shall include the European Atomic Energy Community, it being understood that the term “the European Atomic Energy Community” means the legal person created by the Treaty establishing the European Atomic Energy Community or the territories to which the said Treaty applies, as the context requires.

JAPANESE NUCLEAR FUEL CYCLE PROGRAM (AS OF MARCH 5, 1982)

1. *Facilities for conversion to UF₆:*

1.1 Eldorado Nuclear Ltd.	Port Hope Plant	(Canada)
1.2 Allied Corporation	Metropolis Plant	(U.S.A.)
1.3 Kerr-McGee Nuclear Corporation	Sequoyah Plant	(U.S.A.)
1.4 British Nuclear Fuels Ltd.	Springfields Plant	(U.K.)
1.5 Société pour la Conversion de l'Uranium en Métal et en Hexafluorure	Pierrelatte Plant	(France)
1.6 Société pour la Conversion de l'Uranium en Métal et en Hexafluorure	Malvési Plant	(France)
1.7 Power Reactor and Nuclear Fuel Development Corporation	Ningyo Toge Plant	

2. *Facilities for enrichment:*

2.1 Department of Energy of the United States of America	Paducah Plant	(U.S.A.)
2.2 Department of Energy of the United States of America	Portsmouth Plant	(U.S.A.)
2.3 Department of Energy of the United States of America	Oak Ridge Plant	(U.S.A.)
2.4 Eurodif	Tricastin Plant	(France)
2.5 Power Reactor and Nuclear Fuel Development Corporation	Ningyo Toge Plant	

3. *Facilities for conversion to UO₂:*

3.1 General Electric Company	Wilmington Plant	(U.S.A.)
3.2 Mitsubishi Nuclear Fuel Co., Ltd.	Tokai Plant	
3.3 Japan Nuclear Fuel Conversion Co., Ltd.	Tokai Plant	

4. *Facilities for fuel fabrication:*

4.1 <i>For LWR fuel</i>		
4.1.1 Japan Nuclear Fuel Co., Ltd.	Yokosuka Plant	
4.1.2 Mitsubishi Nuclear Fuel Co., Ltd.	Tokai Plant	
4.1.3 Nuclear Fuel Industries Ltd.	Kumatori Plant	
4.1.4 Nuclear Fuel Industries Ltd.	Tokai Plant	
4.2 <i>For ATR fuel</i>		
4.2.1 Power Reactor and Nuclear Fuel Development Corporation	Tokai Plant	
4.2.2 Nuclear Fuel Industries Ltd.	Tokai Plant	
4.3 <i>For FBR fuel</i>		
4.3.1 Power Reactor and Nuclear Fuel Development Corporation	Tokai Plant	
4.3.2 Nuclear Fuel Industries Ltd.	Tokai Plant	
4.4 <i>For MOX fuel for LWRs</i>		
4.4.1 Power Reactor and Nuclear Fuel Development Corporation	Tokai Plant	

5. *Facilities for use of ANM:*

The aggregate capacity of 51,000 to 53,000 MWe has been adopted on November 28, 1980, under the Law concerning the Promotion of Development and Introduction of Petroleum-Substituting Energy, as the target capacity of nuclear power generation facilities, including LWRs, ATRs and FBRs in which ANM might be used, for the Japanese fiscal year 1990.

5.1 *LWRs*

			(Authorized Gross Capacity (MWe))	(Year of Coming into Operation)
(a) In Operation:				
5.1.1	Japan Atomic Power Co., Inc.	Tokai No. 2 Station	BWR 1,100	1978
5.1.2	Japan Atomic Power Co., Inc.	Tsuruga Station	(1) BWR 357	1970
5.1.3	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(1) BWR 460	1971
5.1.4	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(2) BWR 784	1974
5.1.5	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(3) BWR 784	1976
5.1.6	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(4) BWR 784	1978
5.1.7	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(5) BWR 784	1978
5.1.8	Tokyo Electric Power Co., Inc.	Fukushima No. 1 Station	(6) BWR 1,100	1979
5.1.9	Chubu Electric Power Co., Inc.	Hamaoka Station	(1) BWR 540	1976
5.1.10	Chubu Electric Power Co., Inc.	Hamaoka Station	(2) BWR 840	1978
5.1.11	Kansai Electric Power Co., Inc.	Mihama Station	(1) PWR 340	1970
5.1.12	Kansai Electric Power Co., Inc.	Mihama Station	(2) PWR 500	1972
5.1.13	Kansai Electric Power Co., Inc.	Mihama Station	(3) PWR 826	1976
5.1.14	Kansai Electric Power Co., Inc.	Takahama Station	(1) PWR 826	1974
5.1.15	Kansai Electric Power Co., Inc.	Takahama Station	(2) PWR 826	1975
5.1.16	Kansai Electric Power Co., Inc.	Ohi Station	(1) PWR 1,175	1979
5.1.17	Kansai Electric Power Co., Inc.	Ohi Station	(2) PWR 1,175	1979
5.1.18	Chugoku Electric Power Co., Inc.	Shimane Station	(1) BWR 460	1974
5.1.19	Shikoku Electric Power Co., Inc.	Ikata Station	(1) PWR 566	1977
5.1.20	Kyushu Electric Power Co., Inc.	Genkai Station	(1) PWR 559	1975
5.1.21	Kyushu Electric Power Co., Inc.	Genkai Station	(2) PWR 559	1981

					(Authorized Gross Capacity (MWe))	(Year of Start of Construc- tion)
(b) Under Construction:						
5.1.22	Tohoku Electric Power Co., Inc.	Onagawa Station		BWR	524	1971
5.1.23	Tokyo Electric Power Co., Inc.	Fukushima No. 2 Station	(1)	BWR	1,100	1975
5.1.24	Tokyo Electric Power Co., Inc.	Fukushima No. 2 Station	(2)	BWR	1,100	1979
5.1.25	Tokyo Electric Power Co., Inc.	Fukushima No. 2 Station	(3)	BWR	1,100	1980
5.1.26	Tokyo Electric Power Co., Inc.	Fukushima No. 2 Station	(4)	BWR	1,100	1980
5.1.27	Tokyo Electric Power Co., Inc.	Kashiwazaki-Kariha Station	(1)	BWR	1,100	1978
5.1.28	Kansai Electric Power Co., Inc.	Takahama Station	(3)	PWR	870	1980
5.1.29	Kansai Electric Power Co., Inc.	Takahama Station	(4)	PWR	870	1980
5.1.30	Shikoku Electric Power Co., Inc.	Ikata Station	(2)	PWR	566	1977
5.1.31	Kyushu Electric Power Co., Inc.	Sendai Station	(1)	PWR	890	1978
5.1.32	Kyushu Electric Power Co., Inc.	Sendai Station	(2)	PWR	890	1981

					(Authorized Gross Capacity (MWe))	
(c) Planned:						
5.1.33	Japan Atomic Power Co., Inc.	Tsuruga Station	(2)	PWR	1,160	
5.1.34	Tohoku Electric Power Co., Inc.	Maki Station		BWR	825	
5.1.35	Chubu Electric Power Co., Inc.	Hamaoka Station	(3)	BWR	1,100	
5.1.36	Tokyo Electric Power Co., Inc.	Kashiwazaki-Kariha Station	(2)	BWR	1,100	
5.1.37	Tokyo Electric Power Co., Inc.	Kashiwazaki-Kariha Station	(5)	BWR	1,100	
5.1.38	Chugoku Electric Power Co., Inc.	Shimane Station	(2)	BWR	820	

(Given in brackets are reactor unit numbers.)

5.2 ATRs

					(Authorized Gross Capacity (MWe))	(Year of Coming into Operation)
(a) In Operation:						
5.2.1	Power Reactor and Nuclear Fuel Development Corporation	“Fugen”		Heavy water moderated, light water cooled	165	1979

(b) Under Construction: Nil

(c) Planned: Nil

5.3 FBRs

(a) In Operation: Nil

(b) Under Construction: Nil

				(Authorized Gross Capacity (MWe))		
	(c) Planned:					
5.3.1	Power Reactor and Nuclear Fuel Development Corporation	“Monju”	Sodium-cooled	280		
6.	<i>Facilities for reprocessing:</i>					
	(a) In Operation:					
6.1	British Nuclear Fuels Ltd.	Windscale Plant (U.K.)				
6.2	Compagnie Générale des Matières Nucléaires	La Hague Plant (France)				
6.3	Power Reactor and Nuclear Fuel Development Corporation	Tokai Plant				
	(b) Under Construction: Nil					
	(c) Planned:					
6.4	Japan Nuclear Fuel Service Co., Ltd.	Plant location undecided				
7.	<i>Facilities for storage of separated plutonium:</i> Nil					
8.	<i>Development and demonstration projects:</i>					
	ANM is utilized in the development and demonstration projects listed below which are being carried out in the interest of the future Japanese nuclear power program.					
8.1	<i>On Recycling of Plutonium in LWRs</i>				(Authorized Gross Capacity (MWe))	(Year of Project Commence- ment)
8.1.1	Kansai Electric Power Co., Inc.	Mihama Station	(1) PWR	340	1972	
	(Given in brackets is a reactor unit number.)					
8.2	<i>On Experimenting on Fast Breeder Reactor</i>				(Authorized Gross Capacity (MWt))	(Year of Coming into Operation)
8.2.1	Power Reactor and Nuclear Fuel Development Corporation	“Joyo”	Sodium-cooled	100	1977	
8.3	<i>On Reprocessing of Fast Reactor Spent Fuel</i>				(Maximum Annual Processing Capacity)	(Year of Coming into Operation)
8.3.1	Power Reactor and Nuclear Fuel Development Corporation		Chemical Processing Facility	7.2 kg spent fuel (0.6 kg plutonium)	1982	
8.4	<i>On Civil Marine Propulsion</i>				(Authorized Gross Capacity (MWt))	(Year of Coming into Operation)
8.4.1	Japan Nuclear Ship Research and Development Agency	“Mutsu”	PWR	36	1974	

II a

Canberra, March 5, 1982

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date and the "Implementing Arrangement" attached thereto, which read as follows:

[See note I a]

I have further the honour to confirm that the foregoing proposal is acceptable to the Government of Australia and to agree that Your Excellency's Note and this Note in reply shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the Agreement between the Government of Australia and the Government of Japan for Co-operation in the Peaceful Uses of Nuclear Energy, and have further the honour to inform Your Excellency that the Government of Australia confirms that the "Japanese Nuclear Fuel Cycle Program" may be modified from time to time by the Government of Japan.

Accept, Excellency, the renewed assurance of my highest consideration.

A. A. STREET
Minister for Foreign Affairs

His Excellency Mr. Mizuo Kuroda
Ambassador Extraordinary and Plenipotentiary
of Japan

I b

Canberra, March 5, 1982

Excellency,

I have the honour to refer to the Agreement between the Government of Australia and the Government of Japan for Co-operation in the Peaceful Uses of Nuclear Energy which was signed today (hereinafter referred to as "the Agreement"). During the course of the negotiations for the conclusion of the Agreement, the representatives of the two Governments discussed transfers of nuclear material at various stages of the nuclear fuel cycles of Australia and Japan.

I have further the honour to propose, on behalf of the Government of Australia, the following arrangements:

1. (a) As regards the transfer beyond the jurisdiction of the Government of Japan to a third country, for the purpose of reprocessing and related further processing, of nuclear material subject to the Agreement, the Government of

Australia hereby gives the consent referred to in sub-paragraph 1(a) of Article V of the Agreement, provided that:

- (i) The transfer is made to a facility within the delineated and recorded Japanese Nuclear Fuel Cycle Program; and
- (ii) The consultations referred to in the Implementing Arrangement are not requested by the Government of Australia as regards the deletion from the delineated and recorded Japanese Nuclear Fuel Cycle Program of the facilities in that third country at which the said reprocessing and related further processing are proposed to take place.

(b) The Government of Japan shall promptly notify the Government of Australia in accordance with implementation procedures acceptable to the two Governments of the transfer referred to in sub-paragraph (a) above.

2. (a) As regards the transfer of nuclear material from Australia to Japan through any third country, or retransfer of ANM from any third country to Japan, relevant to agreements regarding nuclear transfers to which the Government of Australia is a party, the Government of Australia shall approve such transfer or retransfer in accordance with the relevant laws and regulations of Australia and/or with the agreement between the Government of Australia and the government of that third country and with any other relevant agreement to which the Government of Australia is a party, regarding nuclear transfers, provided that:

- (i) The transfer or retransfer is made to a facility within the delineated and recorded Japanese Nuclear Fuel Cycle Program; and
- (ii) In the case of the transfer from Australia to Japan through a third country, the consultations referred to in the Implementing Arrangement are not requested by the Government of Australia as regards the deletion from the delineated and recorded Japanese Nuclear Fuel Cycle Program of the facilities in that third country relevant to the processings of the said nuclear material.

(b) The Government of Australia or the Government of Japan shall promptly notify the other in accordance with implementation procedures acceptable to the two Governments of the transfer or retransfer referred to in sub-paragraph (a) above.

3. (a) As regards the transfer of nuclear material directly from Australia to Japan, the Government of Australia shall approve such transfer in accordance with the relevant laws and regulations of Australia and/or with any relevant agreement regarding nuclear transfers to which the Government of Australia is a party, provided that the transfer is made to a facility within the delineated and recorded Japanese Nuclear Fuel Cycle Program.

(b) The Government of Australia shall promptly notify the Government of Japan in accordance with implementation procedures acceptable to the two Governments of the transfer referred to in sub-paragraph (a) above.

4. (a) For the purposes of the present arrangements, the terms “ANM” and “the delineated and recorded Japanese Nuclear Fuel Cycle Program” shall have the same meaning as in the Implementing Arrangement.

(b) For the purposes of the present arrangements, the term “the Implementing Arrangement” means the “Implementing Arrangement” effected by the Exchange of Notes between the two Governments of today’s date.

If the foregoing arrangements are acceptable to the Government of Japan, I have further the honour to propose that this Note and Your Excellency's reply to that effect shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the Agreement.

Accept, Excellency, the renewed assurance of my highest consideration.

A. A. STREET
Minister for Foreign Affairs

His Excellency Mr. Mizuo Kuroda
Ambassador Extraordinary and Plenipotentiary
of Japan

II b

Canberra, March 5, 1982

Sir,

I have the honour to acknowledge the receipt of your Note of today's date, which reads as follows:

[See note I b]

I have further the honour to confirm that the foregoing arrangements are acceptable to the Government of Japan and to agree that your Note and this Note in reply shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of Nuclear Energy.

Accept, Sir, the renewed assurance of my highest consideration.

MIZUO KURODA
Ambassador Extraordinary and Plenipotentiary
of Japan

The Hon. A. A. Street, M.P.
Minister for Foreign Affairs
of Australia

I c

Canberra, March 5, 1982

Sir,

I have the honour to refer to the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of

Nuclear Energy which was signed today (hereinafter referred to as "the Agreement").

I have further the honour to refer to the fact that there is legitimate concern regarding avoidance of the accumulation of controls of various supplying countries over the same nuclear material and of the resulting administrative problems.

I have further the honour to propose, on behalf of the Government of Japan, the following arrangements:

1. In respect of the implementation of the provisions of paragraph 1 of Article V of the Agreement, the following interim measures shall be taken until such time as the two Governments agree upon other measures:

- (a) Noting the provisions of Article 10 of the Agreement between Australia and the United States of America Concerning Peaceful Uses of Nuclear Energy signed on July 5, 1979,¹ as attached to this Note, the Government of Japan shall notify the Government of the United States of America that it has concluded the Agreement and shall provide the Government of the United States of America with a copy of the text of the Agreement; and
- (b) The provisions of paragraph 1 of Article V of the Agreement shall be implemented through direct communications between the Government of Japan and the Government of Australia, except in cases where the former Government seeks the relevant approval of the latter Government through the Government of the United States of America as provided for in Article 10 of the Agreement between Australia and the United States of America referred to in sub-paragraph (a) above.

2. (a) It is confirmed that, as regards nuclear material and equipment falling within the scope of sub-paragraph 1(b) of Article II of the Agreement, only such nuclear material and equipment as were identified in accordance with the provisions of sub-paragraph (b) below shall be subject to the Agreement at the time of entry into force of the Agreement.

(b) The two Governments shall jointly produce on a *de facto* basis a list of nuclear material and equipment falling within the scope of sub-paragraph 1 (b) of Article II of the Agreement at the time of entry into force of the Agreement.

If the foregoing arrangements are acceptable to the Government of Australia, I have further the honour to propose that this Note and your reply to that effect shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the Agreement.

Accept, Sir, the renewed assurance of my highest consideration.

MIZUO KURODA
Ambassador Extraordinary and Plenipotentiary
of Japan

The Hon. A. A. Street, M.P.
Minister for Foreign Affairs
of Australia

¹ United Nations, *Treaty Series*, vol. 1217, p. 211.

ARTICLE 10 OF THE AGREEMENT BETWEEN AUSTRALIA AND THE
UNITED STATES OF AMERICA CONCERNING PEACEFUL USES
OF NUCLEAR ENERGY SIGNED ON JULY 5, 1979

Article 10. OVERLAPPING CONTROLS

1. Neither party shall exercise any rights it has to approve the retransfer or enrichment to twenty percent or greater in the isotope uranium 235 by another nation or group of nations of material transferred pursuant to this agreement or otherwise identified as being subject to similar rights of approval by the other party, and shall not exercise any rights it has to approve the retransfer or reprocessing of irradiated fuel elements containing special nuclear material produced through the use of such materials, unless the parties agree. This obligation applies only where the party whose approval has been sought has been notified by the nation or group of nations requesting approval that the other party has such rights of approval or their equivalent. In the event no such notification is received, the parties shall consult prior to granting approval.

2. This article applies only to material transferred after August 7, 1978, except as the parties may otherwise agree.

II c

Canberra, March 5, 1982

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

[*See note I c*]

I have further the honour to confirm that the foregoing arrangements are acceptable to the Government of Australia and to agree that Your Excellency's Note and this Note in reply shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the date of entry into force of the Agreement between the Government of Australia and the Government of Japan for Co-operation in the Peaceful Uses of Nuclear Energy.

Accept, Excellency, the renewed assurance of my highest consideration.

A. A. STREET
Minister for Foreign Affairs

His Excellency Mr. Mizuo Kuroda
Ambassador Extraordinary and Plenipotentiary
of Japan

AGREED MINUTES

In connection with the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of Nuclear Energy which was signed today (hereinafter referred to as "the Agreement") and the instruments related thereto, the undersigned hereby record the following understandings:

1. With reference to sub-paragraph 1 (c) of Article II of the Agreement, it is confirmed that the percentage referred to therein shall be worked out separately, in the case of irradiation in a fast breeder reactor, in respect of the core and the blanket of the fast breeder reactor.

2. With reference to paragraph 1 of Article II of the Agreement, it is confirmed that equipment specified in sub-paragraph (e) or (f) of the said paragraph and designated as therein provided shall only include equipment within the jurisdiction of the recipient Contracting Party referred to therein.

3. With reference to paragraph 1 of Article IV of the Agreement, in the application of measures of physical protection to nuclear material subject to the Agreement, the two Governments will bear in mind relevant international recommendations and, in particular, the desirability of satisfying the recommendations contained in INFCIRC/225/Rev.1, the document of the International Atomic Energy Agency.

4. With reference to paragraph 2 of Article VI of the Agreement, it is confirmed that the term "overall conclusions which the Agency has drawn from its verification activities" means a statement from the International Atomic Energy Agency to the Contracting Party concerned indicating that the said Agency applied its safeguards to its satisfaction during the past year and that it has not detected the diversion of nuclear material within the jurisdiction of that Contracting Party from peaceful nuclear activities to nuclear weapons or other nuclear explosive devices or for purposes unknown.

5. In the application of Article VII of the Agreement, it is confirmed that, in respect of the failure to carry out the obligations under paragraph 2 of Article III of the Agreement, a finding made by the Board of Governors of the International Atomic Energy Agency, in accordance with the relevant agreement referred to in paragraph 2 of Article III of the Agreement, that the said Agency is not able to verify that there has been no diversion of nuclear material required to be safeguarded under paragraph 2 of Article III of the Agreement to nuclear weapons or other nuclear explosive devices, shall be accepted by the Contracting Parties as conclusive.

6. With reference to paragraph 2 of Article VII of the Agreement, and without prejudice to the other provisions of the Agreement, it is confirmed that the Contracting Party requesting the return of nuclear material, material, equipment or sensitive technology subject to the Agreement shall, before so requesting, obtain through consultations as therein provided the advice of all the governments of third countries referred to therein that they do not object to the return.

7. With reference to Article VII of the Agreement, and without prejudice to the provisions of the Agreement and the instruments related thereto, it is confirmed that transfers to the jurisdiction of a Contracting Party may be sus-

pending, with prior notification in writing from the other Contracting Party, in respect of nuclear material, material, equipment or sensitive technology, if the first-mentioned Contracting Party, in the opinion of that other Contracting Party, continues to fail to carry out the obligations under Article III, Article IV or Article V of the Agreement or the decisions of the arbitral tribunal referred to in Article VIII of the Agreement after the presentation by that other Contracting Party that the first-mentioned Contracting Party is not carrying out the above-mentioned obligations or the above-mentioned decisions, or has detonated a nuclear explosive device.

8. With reference to paragraphs 2, 3 and 4 of Annex B of the Agreement, it is confirmed that the provisions of paragraph 2 or 3 of the said Annex do not preclude the use, at facilities outside a delineated and recorded nuclear fuel cycle program, of the plutonium separated by reprocessing under the conditions referred to in sub-paragraph 2(a) of the said Annex, provided that the two Governments reach a conclusion through the consultations under paragraph 5 of the said Annex that such use is permissible.

9. With reference to paragraph 3 of Annex B of the Agreement, it is confirmed that the requirement of being “under Agency safeguards” means, in the case of Australia-related nuclear material in a non-nuclear-weapon third state, the application in that state by the International Atomic Energy Agency of its safeguards under an agreement concluded pursuant to the Treaty on the Non-Proliferation of Nuclear Weapons and, in the case of Australia-related nuclear material in a nuclear-weapon state, the application by the said Agency of its safeguards to the Australia-related nuclear material concerned in the relevant facilities under a “voluntary offer” safeguards agreement or other safeguards agreement.

10. With reference to paragraph III.2 of the Implementing Arrangement effected by the Exchange of Notes between the two Governments of today's date and to paragraphs 1 and 2 of the Exchange of Notes between the two Governments of today's date concerning transfers of nuclear material, it is confirmed that transfers in accordance with paragraph 1 or 2 of the last-mentioned Exchange of Notes to a third country facility within the delineated and recorded Japanese Nuclear Fuel Cycle Program, as regards the deletion of which facility the consultations referred to in paragraph III.2 of the Implementing Arrangement have been requested by the Government of Australia, shall not be made until such time as the two Governments reach a conclusion that the said facility in a third country should not be deleted from the delineated and recorded Japanese Nuclear Fuel Cycle Program through the consultations under paragraph 5 of Annex B of the Agreement. The two Governments shall facilitate the consultations in order to minimize the disturbances which might be caused to the planned Japanese activities concerned.

Canberra, March 5, 1982

RECORD OF DISCUSSIONS

In connection with the Agreement between the Government of Japan and the Government of Australia for Co-operation in the Peaceful Uses of Nuclear

Energy which was signed today, the representatives of the Japanese Delegation and of the Australian Delegation wish to record the following:

With reference to Article IV of the Agreement, the representatives of the two Delegations confirm that research in, and development and utilization of, nuclear energy within the jurisdiction of each Government are being carried out solely for peaceful purposes under appropriate protection measures.

Canberra, March 5, 1982
