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DEPARTMENT OF STATE

Washington, D.C. 20520

& Nuclear & Suppliers Conference

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October 10, 1975

THE

C - Mr. Sonnenfeldt

FROM

PM - George S. Vest

SUBJECT:

British Comprehensive Safeguards Initiative re Suppliers Conference

Background

As a result of the third round of nuclear suppliers discussions in London, the major remaining issue concerns which of two approaches to safeguards coverage should be required as a condition of supply. The Canadians, British and Soviets supported the first approach of requiring as a condition for supply that the recipient place all incountry nuclear facilities and materials under safeguards, whether indigenously developed or obtained from a supplier. The French, FRG and Japanese, on the other hand, favor the second approach where each supplier would require safeguards only on items he supplies or on items derived from his supply. Although other delegations showed flexibility, the Canadians refused to compromise with the French on this issue.

The British (Thomson) discussed with us during the meeting their idea to put together a new safeguards agreement under which countries who currently are not party to the NPT could arrange to have all facilities and materials incountry placed under safeguards. Thomson proposed this as a "compromise" between the Canadian and French positions. Although we objected to some aspects of their proposal (particularly, any watering-down of the PNE prohibition) and tried to convey a skeptical attitude with regard to the likelihood that problem countries would agree to such an arrangement, we did not rule it out as a follow-on activity to supplier efforts. Our attitude was that after the British considered it for a while and after discussions with others, like the Canadians and the French, they would recognize the futility of the effort and the dangers it might pose in the IAEA.

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Apparently Thomson interpreted our discussions to mean the US supported the approach and concurred in an immediate effort to get such an activity started in the IAEA. The British, therefore, telegraphed their intentions in Callaghan's speech to the UNGA (excerpt at attachment 2) and Thomson and Wilmhurst used the IAEA Board of Governors meeting as an opportunity to initiate the activity and to discuss this matter with the US Mission and others (including the Indians, Pakistanis and Brazilians) in Vienna.

The rapidity of the British move in this direction took us completely by surprise. We therefore sent a cable to our Mission in Vienna (attachment 3) instructing them to make our feelings clear to Thomson in terms of the substantive and tactical problems we foresaw for such an initiative. (The same points were also conveyed to John Edmonds in a non-paper given to him in London.) We recommended that they slow their approach and proceed only after detailed consultation with the US and other suppliers and then with potential recipients and only after a general indication that it had a good chance of being successful.

The response to this approach is at attachment 4. Thomson based on the London discussions, questioned whether I agreed with the position taken in the cable. I subsequently reaffirmed US views to Thomson through the UK Embassy in Washington.

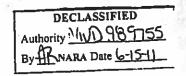
With regard to Canadian views on UK initiative, our Mission in Vienna (attachment 5) reports that Canadians are also concerned that UK initiative may fail and be counterproductive, and, in the process, complicate Canadian on-going negotiations with recipients.

Attachment 1 presents some proposed talking points for use if the subject of the UK safeguards initiative arises.

Attachments:

- 1. Proposed Talking Points
- 2. Excerpt of Callaghan's speech
- 3. State 232509
- 4. IAEA Vienna 8486
- 5. IAEA Vienna 8595

PM/NPO:LVNosenzo/ds 10/10/75 ext 21835



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TALKING POINTS ON UK SAFEGUARDS INITIATIVE

- -- We were surprised and somewhat taken back at the speed with which the British are moving on a new safe-guards agreement.
- -- In the last London suppliers meeting, we attempted to convey to the British that we were somewhat skeptical about getting problem countries to voluntarily agree to put all their nuclear activities under safeguards.
- -- We also saw danger in opening up the matter in the IAEA in terms of pressure to water down safeguards arrangements.
- -- On the other hand, we were not averse to them floating the idea privately with you and the French as a possible means for achieving an early compromise.
- -- We have cautioned the UK again both in terms of the substantive problems we have with their initiative and the tactical problems we have with proceeding in the IAEA in this direction before we have a meeting of the minds by all the suppliers.

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(Fir. Callaghan, United Kingdom)

move from that to the second step and acquire plants to enrich their uranium and to reprocess the fuels that have already been used in their nuclear reactors, then they will be a long way down the road to producing nuclear weapons. Up to the present, it is the nuclear-weapon States that alone possess such plants, namely, the Soviet Union, the United States, the United Kingdom, France and China. But other countries are now beginning to consider whether they too should order reprocessing and enriching plants. If and when they do so, and the plants are in working order, they will be able to produce weapons material at a rate which would enable several thousand nuclear weapons a year to be produced. To give a comparison, the present nuclear programmes will accumulate more than one million -- one million -- kilograms of plutonium ! within the next 10 years; and by contrast, the bomb which fell on Nagasaki and created such havoc and such destruction was the equivalent of no more than about 10 kilograms. A million kilograms within the next 10 years -and 10 kilograms destroyed Magasaki. The spread of these plants would enable the whole of mankind on this planet to destroy itself. Clearly, the statesmen of the world assembled here have a moral duty to act before it is too late.

The United Nations should concern itself with this problem immediately and add vigour and impetus to the work that is being done in the International Atomic Energy Agency.

I put forward five points for consideration, to try to contain this problem:

- 1. The Members of the United Nations should solernly affirm that each and all of them will not convert nuclear materials from civil use to military use.
- 2. This solemn declaration should be reinforced by an agreement to accept a common system of international inspection through the International Atomic Energy Agency. There should be one set of rules for all countries in the world.
- 3. All civil nuclear materials and facilities should be brought within the common inspection system.
- 4. The agency should assume responsibility for inspection of enrichment and processing plants, in addition to its present task of safeguarding nuclear reactors.

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(Mr. Callaghan, United Kingdom)

5. The new set of common rules should be based on monitoring nuclear material and accounting for its use at all stages through the life of the fuel.

Britain intends to make a specific proposal along these lines to the International Atomic Energy Agency. In this way we shall follow up the intentions of the recent conference on non-proliferation, although our proposals are not based on that Treaty and have a wider purpose. They are intended to give practical expression to the pledges that have already been made by many Governments that they will not convert nuclear material from civil to military purposes, and I hope that the General Assembly will give support to them.

Thirty years ago at the very first Assembly of the United Nations in London my great predecessor Ernest Bevin pledged that the British Government would use to the full every instrument created by the United Nations and give it its whole-hearted support. I was present when he made that speech.

Looking back, I believe my country, as a permanent member of the Security Council during the whole of that period, has faithfully redeemed the pledge that Ernest Bevin gave. Now today, I repeat that undertaking at a time when the potential dangers facing the world are at least as great as they were when the United Nations was founded. None of us expects the United Nations miraculously to solve all the world's problems. But patient effort, understanding of each other, a consciousness that we are all citizens of the same world, that none of us can escape the consequences of each other's actions — this, I believe, will enable mankind of all colours and all creeds to do as the founders of the United Nations did, and as our forefathers did, to rise to the challenge of our times.