

DECLASSIFIED

Authority NN0009038By JW NARA Date 1-31OPTIONAL FORM  
MAY 1962 EDITION  
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

*Memorandum*SECRET

MR. HUMMEL HAS SEEN

AE-3

TO : EA - Mr. Hummel

DATE: October 29, 1973

FROM : EA/ROC - Roger W. Sullivan *RWS*

SUBJECT: Nuclear Study Group Visit to Taiwan

At 4 p.m., Tuesday, October 30, you are scheduled to meet with Dr. Abraham Friedman, Director of International Programs at the Atomic Energy Commission, Nelson Sievering, Deputy Director of SCI, and Dr. Frank S. Houck of ACDA. These men, along with Gerard Helfrich, AEC Scientific Representative in Tokyo, and Taipei Embassy DCM Bill Gleysteen, will make up the nuclear energy study group scheduled to visit Taiwan November 15-20. Dr. Friedman will head the group.

Background: Late last year we learned the ROC intended to purchase a nuclear fuel reprocessing facility from European suppliers. We were concerned because weapons grade plutonium is a by-product of the reprocessing process. On instructions from Washington, Ambassador McConaughy told ROC Foreign Minister Shen of our disapproval of their purchase of a reprocessing facility and warned that acquisition of an independent reprocessing capability would jeopardize current IAEA safeguards and create suspicions in the minds of outside observers concerning ROC intentions.

In mid-August we learned through ROC AEC Secretary General Victor Cheng of a new ROC proposal to obtain a reprocessing facility based on the future needs of Taipower nuclear reactors. We reiterated our disapproval to Foreign Minister Shen in Taipei and, through Dr. Friedman, to Cheng here in Washington. In mid-September, we received a letter from Cheng stating the ROC intention to use British reprocessing facilities to meet its needs through 1985. The plutonium by-product of British processing will be shipped to the US for storage or fabrication into new fuel elements.

On October 12 we learned to our surprise that a Belgian engineering company (Comprime, protect) had been told that the reprocessing project was still alive and that a French firm (Sant Gobain Nucleaire, protect) had been chosen as architect engineer for the project. We are now in the

SECRET



DECLASSIFIED

Authority NN0009038

By JW NARA Date 1-31

SECRET

3

-- Should we have reason to believe that the ROC has moved from consideration of a nuclear weapons program to actual implementation, we would be forced to react. That reaction would be based upon the circumstances at the time.

-- It is also worth noting that acquisition of an independent reprocessing facility would surely jeopardize the ROC's present fragile IAEA safeguards relationship and might well call into question the continuation of the US-ROC bilateral safeguards agreements.

-- For these reasons we strongly urge the ROC to use offshore reprocessing facilities, either in Britain or perhaps eventually in an East Asian regional center. It is equally important to us that plutonium derived from reprocessing be stored and fabricated into fuel elements outside Taiwan to avoid raising any doubts about ROC intentions.

Toward A Firmer Position: While appreciating our viewpoint, Dr. Friedman has tended generally to be slightly less firm -- or more understanding -- in his expressions of disapproval to the Chinese. We hope that as a result of your meeting with him, and the backing of Messrs. Sievering and Houck who we believe incline to our firmer view, we will convince Friedman of the importance of taking a stronger position. This is crucial, we believe, to the success of the study group's visit for we are not yet persuaded that the Chinese are really hearing us, let alone taking us seriously, on this subject.

Tom Bleha will attend the meeting from EA/ROC.

Drafted: EA/ROC: JWMoyle/TBleha: jw  
10/29/73

SECRET