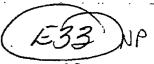


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United States Department of State

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Washington, D. C. 20520

INFORMATION MEMORANDUM

DNB s/

TO:

T - Reginald Bartholomew

FROM:

NEA - John H. Kelly S/NP - Richard T. Kennedy

S/S

OES - E.U. Curtis Bohlen

SUBJECT:

Algerian and Chinese Statements Help Ease

Proliferation Concerns

Background

	B1
had contracted to provide Algeria with a 15 MW research reactor	
fueled with low enriched uranium.	В1
revealed a nuclear reactor in the mid to late	
stage of construction at Ain Oussera, approximately 100 miles	
south of Algiers. Cooling towers located at the site appeared	
to be larger than what would ordinarily be required to support	
a small research reactor, prompting concerns that the reactor's	
size and capabilities exceeded Algeria's civil research	В1
requirements.	רב
Algeria is not a party to the	
NPT and is, therefore, under no legal obligation to conclude a	
safeguards agreement with the IAEA. However, Algeria's only	
other nuclear facility, a 1 MW research reactor provided by	
Argentina, is under IAEA safeguards.	
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Since 1984, China has had a publicly stated policy of requiring safeguards on all Chinese nuclear exports.

Largely inaccurate leaks to the US press claiming that China had agreed to provide nuclear weapons-related assistance to Algeria occurred before the US had an opportunity to raise the matter in Algiers.

Although the US has already sought to discourage suppliers from providing research reactors capable of producing large quantities of plutonium to countries in regions of tension, in particular Iran and Iraq, this issue has prompted Paul Wolfowitz to question basic issues involving nuclear exports. As a result, DOD is preparing a paper for the PCC which

UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: DONALD A JOHNSTON DATE/CASE ID: 20 APR 2004 200102166 TATES DEPARTMENT OF STATE
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addresses what US policy should be regarding export of large research reactors and the disposition of spent fuel.

Current Status

In the past few days, the Algerian and Chinese Governments have moved to dispel international speculation that China is assisting Algeria in developing a nuclear weapons capability. These statements have, in large part, alleviated our concern about the proliferation implications of the reactor under construction.

Algeria had no plans to develop nuclear weapons and declared Algeria's commitment to apply IAEA safeguards to the reactor.

this reactor is intended for scientific research and production of radioisotopes. It has a power rating of 15 MW and will be fueled by imported low enriched uranium. (A reactor of this size, fueled by low enriched uranium, would not produce significant quantities of plutonium.) The Algerian Minister Delegate for Scientific Research, in a press conference the B1 same day, went public

The Chinese Foreign Ministry spokesman announced April 30 that, under the terms of a 1983 Sino-Algerian nuclear cooperation agreement, China was providing Algeria with a heavy water research reactor with a designed power of 10 MW and a maximum thermal power of 15 MW. The Chinese MFA spokesman said that China had requested and obtained a pledge from the Algerian Government that the reactor would be used only for peaceful purposes. The Algerian Foreign Minister told Ambassador Ross that the Chinese had requested permission to provide the US with additional technical details on the reactor.

If the Algerian and Chinese statements about safeguards and the reactor's size are true, the reactor will likely not pose a proliferation threat. Nonetheless, we will continue to press the Algerian Government to act promptly by notifying the IAEA of its intention to submit the reactor to safeguards, and we will seek additional technical information, e.g. details on configuration of the core and the reason for the large cooling tower capacity. Our message to Algiers will underscore that Algeria can most effectively dispel international proliferation concerns by initiating the safeguards process with the IAEA now rather than waiting until the reactor is completed. We intend to share information and coordinate next steps with European Governments. Ambassador Kennedy has already raised this issue with the French, who have agreed to press for an early Algerian approach to the IAEA. U/S Kimmitt also intends to pursue the matter while in Beijing next week.

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