

MEMORANDUM

INFORMATION

OS

NATIONAL SECURITY COUNCIL

DOS REVIEWED 16-Feb-2011: NO OBJECTION TO DECLASSIFICATION

~~SECRET~~

September 25, 1974

MEMORANDUM FOR:

GENERAL SCOWCROFT

FROM:

DAVID D. ELLIOTT *D.E.*

SUBJECT:

Shipment of Highly Enriched Uranium  
to France

REFER TO DOS

DOE REVIEWED 15-Dec-2010: NO OBJECTION TO DECLASSIFICATION

Dixy Lee Ray has asked that we hold up the USC study of the supply of highly enriched uranium to France until she returns to the US next week and has a chance to talk to you.

Based on discussions with Ingersol and a go-ahead from HAK, she has been holding some frank private exchanges with her French counterpart, while both attended the IAEA in Vienna.

She apparently is of the mind that the USC study may be unnecessary (or OBE) and the fact of the study itself has a disruptive potential.

If she contacts you directly on this matter, you may want the attached draft as background. Frankly, the questions we are posing in the study seem highly relevant to me, and the answers would give us a better understanding and a measure of confidence (or to give us grounds to worry) regarding our nuclear trade with France.

(I am reminded of the presumably fictional but amusing interchange where an advisor indicates a certain <sup>proposed</sup> course of action is a "calculated risk". The decision-maker says, "let's see the calculations".)

Attachments - 2

1. Proposed Memo for HAK (DRAFT)
2. Proposed Memo for Chmn, NSC USC (DRAFT)

~~SECRET/GDS~~

MEMORANDUM FOR: SECRETARY KISSINGER  
FROM: DAVID D. ELLIOTT  
SUBJECT: Shipment of Highly Enriched Uranium to France

We have a French request pending for 130 kilograms of highly enriched uranium (HEU -- which can be used for weapons). This purchase is part of a long term contract to supply such material to the French non-military research reactor program. More than 2000 kilograms have been supplied in past (before the Indian nuclear explosion) and another 800 kilograms is eligible for purchase under the present contract.

The French are, in turn, exporting HEU produced at their enrichment facility. They will be sending 400 kilograms to India to fuel a breeder reactor being developed jointly.

It is likely, therefore, that our shipments of HEU have the effect of freeing up the limited French supply, allowing export to India of weapons grade material without international safeguards. The French impose their own bilateral safeguards, however, we are uninformed as to the nature of these safeguards and they may consist of little more than French presence at the site and involvement in the joint development program.

In light of the Indian nuclear explosion, the AEC sought information on French import-export policy of HEU and their safeguards program before fulfilling the request for 130 kilograms (Tab B). However, we did not receive a response and the AEC did not pursue the matter, but rather left the French order pending. The AEC is now concerned that continuing to delay

the order could create a problem with French relations, though the French have been silent on the subject since placing the order four months ago. The AEC ~~is asking for~~ <sup>has sought</sup> Administration guidance.

State believes we ought to allow the French shipment to proceed and let the broader questions of U.S. - French nuclear relations come up at your meeting with Sauvagnargues. On the other hand, to permit the shipment of HEU to France in ignorance of the requested pertinent information and possibly some assurances could be interpreted as a <sup>nominal</sup> ~~normal~~ sanction of their nuclear export policy, even though we believe their export safeguards may be inadequate. Congressional inquiries into the Administration's policies in nuclear trade, triggered by the Indian explosion, could well be critical of such signs of incaution on our part, and contribute to Congress arrogating further nuclear controls to itself.

It would be appropriate to deal with the French on this issue through the consultative procedure directed by NSDM 255 (Tab C), however, these procedures have not yet been established and probably won't be implemented for some months. A quick assessment by the Under Secretaries Committee of the facts and issues connected with the specific question of permitting HEU exports to France would be appropriate, ~~to the time available before some decision is sought by the French.~~ The memorandum at Tab A directs such a study.

Dick Kennedy and Denis Clift concur.

RECOMMENDATION:

That you sign the study directive to the Under Secretaries Committee at Tab A.

SECRET/GDS

MEMORANDUM FOR

CHAIRMAN, NSC UNDER SECRETARIES COMMITTEE

SUBJECT: Shipment of Highly Enriched Uranium to France

Prior to shipping further amounts of highly enriched uranium (HEU) to France, the President, pursuant to NSDM 235, wishes to determine the relation of such shipments to France's export of HEU. An assessment should be carried out that addresses but is not limited to the following questions:

- How much HEU is produced in France and how much is available for domestic non-military purposes and for export?
- What is French policy regarding the import and export of HEU?
- What has been our experience with U.S. supplied HEU to France and what role do such supplies play in French exports?
- What is the nature of French safeguards applied to their exports, particularly as applied to India?
- What risks are involved in U.S. export of HEU to France, and what information and assurances should we seek from France in order to give us confidence that such exports are consistent with our non-proliferation objectives?

The study should include the options for U.S. action, their advantages and disadvantages, and agency views. The Atomic Energy Commission and the Arms Control and Disarmament Agency should be included as members of the Under Secretaries Committee for the purpose of this study. The study should be closely held, and submitted to the President <sup>for his consideration</sup> no later than October 7, 1974.

ETHERIDGE CAROLYN R  
74 STATE 126462

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE  
PAGE 01 STATE 126462  
13

ORIGIN AEC-11  
INFO OCT-01 EUR-25 ISO-00 SCI-06 ACDA-19 FEA-02 CIAE-00  
INR-10 IO-14 L-03 NSAE-00 NSC-07 RSC-01 /099 R  
66610

DRAFTED BY: AEC/IP/ADSMP:DBHOYLE  
APPROVED BY: SCI-HDBREWSTER  
AEC//IP:ASGRIEDMAN  
EUR/WE-GHSHEINBAUM  
EUR/RPE-ATLIEBOWITZ  
SCI/AE-JLBLOOM  
ACDA-CNVANDOREN

019262

R 132247Z JUN 74  
FM SECSTATE WASHDC  
TO USMISSION EC BRUSSELS  
INFO AMEMBASSY PARIS  
LIMITED OFFICIAL USE STATE 126462  
E.O. 11652: N/A  
TAGS: TECH  
SUBJ: CONTRACT FOR HEU WITH FRENCH CEA  
REF: EC BRUSSELS 3760

1. PRIOR FURTHER CONSIDERATION REFERENCED CEA REQUEST, U.S. WOULD LIKE TO OBTAIN STATEMENT OF FRENCH POLICY RE EXPORT OF FRENCH-PRODUCED HIGHLY ENRICHED URANIUM (HEU). PROPOSED FRENCH EXPORT OF LARGE AMOUNT HEU TO INDIA HAS HIGHLIGHTED THIS ISSUE, ALTHOUGH IT ALSO HAS ARISEN IN PAST. RELEVANCE IS, OF COURSE, QUESTION OF SUBSTITUTION--IF U.S. WERE NOT REPEAT NOT SUPPLYING HEU FOR FRENCH RESEARCH AND TEST REACTORS, WOULD PIERRELATTE CAPACITY PERMIT SUCH EXPORTS?

2. IF LONG-TERM CONTRACT NOT POSSIBLE BY JUOE 30, THEN U.S. MAY BE ABLE TO SUPPLY LATER ON SHORT-TERM, FIXED-COMMITMENT

LIMITED OFFICIAL USE  
LIMITED OFFICIAL USE  
PAGE 02 STATE 126462

BASIS, SUBJECT TO AVAILABLE ENRICHMENT CAPACITY/ AS MISSION AWARE, SUCH CONTRACTS MAY BE ENTERED INTO NO MORE THAN TWO YEARS BEFORE INITIAL DELIVERY AND COVER MAXIMUM PERIOD OF THREE YEARS. SISCO

LIMITED OFFICIAL USE  
NNN

## NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

SECRET/GDS

June 3, 1974

National Security Decision Memorandum 255

TO:           The Secretary of Defense  
              The Deputy Secretary of State  
              The Director, Arms Control and Disarmament Agency  
              The Director of Central Intelligence  
              The Chairman, Atomic Energy Commission

SUBJECT:      Security and Other Aspects of the Growth and Dissemination  
              of Nuclear Power Industries

The President has reviewed the report of the NSC Under Secretaries Committee (USC), prepared in response to NSDM 235 and forwarded by the USC Chairman on April 5, 1974, outlining steps the United States could take with other nations concerning the problems associated with the increased availability of weapons useable materials from the growth and dissemination of nuclear power industries.

The President has approved the recommended consultations with other countries—particularly present or potential suppliers of materials, technology and equipment—with the objectives detailed in the USC report.

The initial consultations should emphasize but not necessarily be limited to the need for: (1) establishing agreed international guidelines, preferably based on U. S. practice, to ensure the physical security of weapons useable and highly toxic materials whether internationally transferred or indigenously produced; (2) reaching some common principles regarding the supply of sensitive enrichment technology or equipment; (3) avoiding or applying stricter terms for supply in situations where special hazards could be present; and (4) encouraging, where appropriate, multinational enrichment, fuel fabrication and reprocessing facilities.

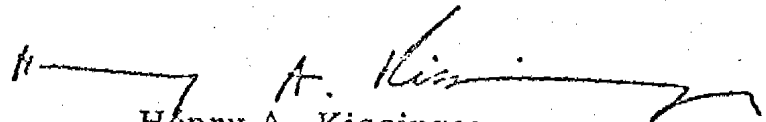
The Department of State, in coordination with the Atomic Energy Commission (and other interested agencies when appropriate), will have primary responsibility for the conduct of these consultations and for reporting significant developments.

In addition, the President has directed that a prompt study of possible provisions for an international convention concerned with physical security

SECRET/GDS

2

guidelines be conducted by an Ad Hoc Group, chaired by a representative of the Atomic Energy Commission and comprising representatives of the addressees. In addition, the Ad Hoc Group should explore the idea of establishing better information exchange internationally on transfers of materials, equipment, or technology. The Ad Hoc Group's study should be forwarded by August 12, 1974 for the President's consideration.

  
Henry A. Kissinger

cc: Chairman, Joint Chiefs of Staff

SECRET/GDS