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ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 R

DRAFTED BY EA/ROC:DBGROWN:HKF
APPROVED BY P:PCAHABIB
EA - MR. ARMSTRONG; S/S-MR GAMBLE
ACDA - MR. VAN DOREN (SUBS)
OES/NET - MR. KRATZER (SUBS)
S/P - MR. KALICKI (SUBS)
P/M - MR. OPLINGER (SUBS)
CIA - MR. CHINN (SUBS)
C - MR. FUERTH (SUBS)
NSC - MR. GLEYSTEEN

P R 081623Z JAN 77
FM SECSTATE WASHDC
TO AMEMBASSY TAIPEI PRIORITY
INFO AMEMBASSY THE HAGUE

S E C R E T STATE 004532

EXDIS

E.O. 11652: XGDS-2

TAGS: PFOR, MNUC, TW

SUBJECT: TAIWAN'S CONTINUING INTEREST IN REPROCESSING

REF: (A) STATE 310712; (B) TAIPEI 8564; (C) TAIPEI 8188

1. AFTER FURTHER CONSIDERATION, WE HAVE CONCLUDED THAT DESPITE AMBASSADOR'S BRIEF DISCUSSION OF INER/COMPRIMO ISSUE WITH PREMIER ON DECEMBER 11 (REF C), THE SERIOUSNESS OF THIS MATTER REQUIRES A MORE FORMAL DEMA,CE TO ,OC ON ITS VIOLATION OF PREMIER'S ASSURANCES REGARDING SECRET

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REPROCESSING. WHILE WE ARE ENCOURAGED BY RECENT INDICATIONS THAT GON PRESSURE HAS CAUSED COMPRIMO TO "SUSPEND" ITS DEALINGS WITH INER, WE WISH TO TAKE STEPS AT THE
TAIWAN END AS WELL TO ASSURE THAT ROC CONNECTION WITH
COMPRIMO; AS BEEN TERMINATED AND THAT ROC IS AWARE OF OUR
VIGILANCE AND DETERMINATION ON THE NUCLEAR ISSUE.

2. AT THIS TIME, WE WISH TO AVOID A DIRECT CONFRONTATION
WITH THE PREMIER ON HIS ASSURANCES AND, THEREFORE, REQUEST
THAT THE DCM CALL UPON VICE FOREIGN MINISTER CHIEN PRIOR
TO THE ARRIVAL OF THE US NUCLEAR TEAM TO MAKE THE FOLLOW-
ING POINTS:

-- I WISH TO RAISE WITH YOU A MATTER CONCERNING YOUR
GOVERNMENT'S NUCLEAR POLICIES, WHICH HAS BEEN THE SUBJECT
OF A NUMBER OF DISCUSSIONS WITH YOUR GOVERNMENT RECENTLY.

-- AS YOU KNOW, ONE SPECIFIC REASON FOR OUR CONCERN HAS
BEEN THE INFORMATION THAT INER HAD BEEN NEGOTIATING WITH
A EUROPEAN FIRM REGARDING CERTAIN ASPECTS OF REPROCESSING
OF NUCLEAR FUEL.

-- WE HAVE LEARNED FROM THE DUTCH GOVERNMENT THAT INER'S
NEGOTIATIONS WITH A DUTCH FIRM, COMPRIMO, ON REPROCESSING
HAVE CONTINUED SINCE THE PREMIER'S ASSURANCES IN SEPTEMBER.

-- IN A RECENT CONVERSATION WITH THE AMBASSADOR, THE
PREMIER IMPLIED THAT SOME OVERZEALOUS OFFICIALS MIGHT
BE CONDUCTING UNAUTHORIZED ACTIVITIES.

-- WHOEVER IS RESPONSIBLE, WE ARE DEEPLY DISTURBED BY
THESE CONTINUED ACTIVITIES.

-- WE DRAW THIS MATTER TO YOUR ATTENTION IN THE
EXPECTATION THAT YOU WILL TAKE EFFECTIVE ACTION TO
TERMINATE THIS RELATIONSHIP WITH COMPRIMO IN ORDER TO
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AVOID ANY MISUNDERSTANDING ABOUT THE PREMIER'S ASSURANCES
AND TO PERMIT OUR FURTHER COOPERATION IN THE PEACEFUL USE
OF NUCLEAR ENERGY.

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