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SECRET TAIPEI 6100

EXDIS

E.O. 11652: GDS
TAGS: PFOR, MNUC, TW
SUBJECT: DEMARCHE ON ROC'S NUCLEAR INTENTIONS

REFS: (A) TAIPEI 6096, (B) STATE 219733, (C) STATE 213296,
(D) 73 TAEPI 7051

1. BEGIN SUMMARY. AMBASSADOR MADE FORMAL DEMARCHE CONVEYING
USG POSITION (AS PER PARAGRAPH 4, REFERENCE B) ON ROC'S NUCLEAR
INTENTIONS ORALLY TO ROC FOREIGN MINISTER SHEN CH'ANG-HUAN AT
1600 ON 7 SEPTEMBER 1976. SHEN DID NOT PROVIDE AN IMMEDIATE
OFFICIAL RESPONSE. HE AGREED TO RESPOND TO OUR PRESENTATION
AFTER REPORTING TO THE "SUPREME AUTHORITY", A PROBABLE REFER-
ENCE TO PREMIER CHIANG. END SUMMARY.

2. IN HIS MEETING WITH FOREIGN MINISTER SHEN CH'ANG-HUAN ON
SEPTEMBER 7, 1976, THE AMBASSADOR PRESENTED A FORMAL DEMARCHE
READING FROM PARAGRAPH 4 REFERENCE B, IN ACCORDANCE WITH
DEPARTMENT'S INSTRUCTIONS. ON REACHING THE FIFTH POINT, DEAL-
ING WITH A PREVIOUS DEMARCHE OF 20 NOVEMBER 1976. SHEN PROVIDED
SHEN WITH BACKGROUND INFORMATION TAKEN FROM PARAGRAPHS 2-4 OF
REFERENCE D. AT THE CONCLUSION OF HIS PRESENTATION THE AMBAS-
SADOR STRESSED THE IMPORTANCE THE USG PLACES ON NUCLEAR NON-
PROLIFERATION, INCLUDING THE SPREAD OF NATIONAL NUCLEAR FUEL
REPROCESSING EQUIPMENT AND TECHNOLOGY. AND HE REQUESTED A
REAFFIRMATION OF GROC ASSURANCES CONCERNING REPROCESSING AND
NON-PROLIFERATION BE PROVIDED AT A SUBSEQUENT MEETING (DATE
UNDECIDED).

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3. SHEN RESPONDED THAT WHILE THE USG POSITION WAS "QUITE CLEAR", HE WOULD LIKE TO BE SURE THAT WE WERE NOT CURRENTLY CONCERNED WITH THE SMALL-SCALE LABORATORY REPROCESSING WHICH WAS BEING REQUESTED BY THE CAEC (SUBJECT OF REFERENCE C.). HE STATED THAT THIS OPERATION WAS NOT A SECRET, AND THAT IT WOULD ONLY PRODUCE MINUTE QUANTITIES OF MATERIAL - ENOUGH TO MAKE A BOMB "EVERY 430 YEARS". THE AMBASSADOR ASSURED HIM THAT THIS WAS NOT REPEAT NOT THE ISSUE AT HAND. OUR CONCERN WAS THAT WE HAD LEARNED FROM EUROPE THAT INER HAD BEEN MAKING INQUIRIES REGARDING ACQUISITION OF REPROCESSING TECHNOLOGY AND EQUIPMENT. AND WE WERE NOT ABLE TO RECONCILE THIS INFORMATION WITH PREVIOUS GROC ASSURANCES ON THE SUBJECT.

4. SHEN STATED THAT ACCORDING TO HIS RECOLLECTION, IN 1973 THE USG WAS OF THE IMPRESSION THAT THE GROC HAD MADE A POLICY DECISION TO ACQUIRE A LARGE-SCALE CHEMICAL REPROCESSING CAPA-
BILITY. IN FACT, THIS WAS NOT THE CASE. CHINESE "SCIENTISTS" ENGAGED IN REPROCESSING RESEARCH HAD ATTEMPTED TO ACQUIRE THIS CAPABILITY THROUGH COMMUNICATION WITH SUPPLIERS IN GERMANY AND FRANCE. BUT ONCE OFFICIALS OF THE U.S. MISSION HAD BROUGHT THIS SITUATION TO HIS (SHEN'S) ATTENTION, AND ONCE HE HAD CONSUL-
TLED WITH THE "SUPREME AUTHORITY" (PROBABLE REFERENCE TO PREMIER CHIANG CHING-KUO), THE GROC WAS ABLE TO PROVIDE ASSUR-
ANCES THAT THEY WOULD NOT CONSIDER THIS SCALE OF REPROCESSING. SHEN THEN EXPRESSED THE HOPE THAT THERE HAD BEEN OPEN COMMUNICA-
TION AND COMPLETE COOPERATION BETWEEN THE CAEC, TAIPO POWER AND OFFICIALS OF THE U.S. MISSION SINCE 1973. HE ASKED IF CHINESE SCIENTISTS WERE AGAIN MAKING INQUIRIES WITH REGARD TO REPROCESS-
ING EITHER TO "U.S. AUTHORITIES" OR TO "INTERNATIONAL ORGANI-
ZATIONS" IN EUROPE.

5. THE AMBASSADOR REITERATED THAT IT IS CLEAR INER HAS BEEN MAKING INQUIRIES IN EUROPE REGARDING THE ACQUISITION OF REPROCESSING TECHNOLOGY AND EQUIPMENT. HE EXPLAINED THAT THE CURRENT SITUATION WAS "VERY SIMILAR" TO THAT WHICH AROSE IN 1973, AND THAT IT DID NOT RELATE TO SMALL-SCALE LABORATORY REPROCESSING. THE AMBASSADOR REPEATED HIS REQUEST THAT THE GROC REAFFIRM OR OTHERWISE PRESENT ITS ASSURANCES WITH REGARD TO REPROCESSING AND NON-PROLIFERATION, AFTER REPORTING HIS (THE AMBASSADOR'S) REMARKS TO APPROPRIATE AUTHORITIES. AT THIS POINT SHEN STATED SECRET

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GROC RESPONSE.


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