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DEPARTMENT OF STATE

Memorandum of Conversation

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DATE: April 5, 1973

SUBJECT: ROC Nuclear Intentions

4/5/73

PARTICIPANTS: John Wilberforce, Counselor, British Embassy
Mary McDonnell, EA/ROC
Robert L. Loftness, SCI/AE

Copies to: Mary McDonnell, EA/ROC
Larry Finch, INR/RSG
Robert T. Webber, SCI/AE

⑤ ROC

AE to Finch

The attached paper, prepared by INR and cleared by the CIA and DIA, was given to Mr. Wilberforce in response to his inquiry of February 7 regarding ROC nuclear intentions. (The Intelligence Report that had occasioned his inquiry is also attached.) Upon reading the paper, Mr. Wilberforce stated he concurred in the US assessment of the situation.

In discussion of international safeguards, Mr. Wilberforce stated the UK has been informed that the PRC expects safeguards for exports to the ROC will be arranged separately by each exporting nation rather than under the IAEA. He conceded this might be difficult for nations that do not have diplomatic relations with the ROC.

- Attachments: *not attached* *me* *6/18/84*
1. Nuclear Weapon Intentions of the Republic of China, dated 3/30/73
 2. Intelligence Report

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SCI/AE:RLLoftness/diw
(Destiny Officer and Officer)

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NUCLEAR WEAPON INTENTIONS OF THE REPUBLIC OF CHINA

The Republic of China's intentions regarding the development of nuclear weapons have been far from clear. We have received information from time to time indicating an interest on the part of some senior ROC officials in initiating measures which would at least provide an option for establishing a nuclear weapons program in the future if it should be deemed necessary. Other officials apparently have opposed any steps in the direction of a nuclear weapons program.

Apparent manifestations of both viewpoints can be seen in existing and planned civil nuclear facilities. We suspect that the early interest in acquiring a natural-uranium-fueled, heavy-water-moderated research reactor for the Chung-shan Science Institute (CSSI) resulted, at least in part, from a desire to provide a modest plutonium production capability in addition to meeting the institute's research requirements.

On the other hand, more recent decisions appear to have gone against any pro-weapons advocates in Taipei: The two power reactors now being built by Taipower are boiling-water systems which will require enriched uranium fuel. Recently Taipower has opted for two more boiling-water reactors and reportedly began negotiations for their purchase early this year. This type of reactor is not by any means an optimum choice with regard to producing plutonium for weapons use.

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The Canadian 40-megawatt CSSZ reactor and its fuel are being supplied under an agreement between the IAEA and the ROC with safeguards applied by the IAEA. There is no provision for Canadian safeguards if in the future the IAEA does not carry out safeguards inspections. Canada supplied the first core loading in 1972, and the reactor probably reached criticality in December 1972. The only special nuclear material involved would be in fission counters which would require US U-235 and prior approval for its transfer. Until recently, the CSSI was seeking a pilot fuel reprocessing plant and was negotiating with a West German firm for its procurement. In recent days, however, the ROC has agreed--at US request--not to proceed with plans for the purchase of this plant, which would have enabled them to extract the plutonium from fuel discharged from the CSSI research reactor.

In light of these latter developments, we are inclined to believe that no organized program for the production of nuclear weapons has been authorized or initiated by the ROC. Additionally, the US Science Attache in Taipei, who has frequently visited the CSSI, has observed no indication of any covert program to develop nuclear weapons. It is entirely possible that basic research studies which could contribute to such a program (e.g., hydrodynamic studies of metals) may have been undertaken; such

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studies probably have been conducted in several non-nuclear-weapon states. Further, we do not exclude the possibility that a decision to proceed with nuclear weapons development might be taken at some future date, depending on the political climate and Taipei's perception of its military situation. On balance, however, we view the decisions cited above as indicating that there are at present no plans for proceeding to systematically undertake the development of nuclear weapons. We have no evidence of such plans, or of plans to acquire a nuclear delivery capability--the lack of which would substantially diminish the value of nuclear weapons to the ROC.

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