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DEPARTMENT OF STATE

PROGRAM

INCO-Uranium 17 Ser-Arg

Authority UND 959000

Original to be Filed in _____ Decentralized Files.

FILE DESIGNATION

1		
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CA-2198

SECRET

COPY 1 SERIES A

NO.

HANDLING INDICATOR

TO : BUENOS AIRES, TEL AVIV

FROM : DEPARTMENT OF STATE

DATE:

SUBJECT : Israeli Purchase of Argentine Uranium

REF : (a) CS-3/584, 704, 24 June 1964; (b) State/Buenos Aires, A-230, 2 September 1964; (c) TDCS-314/03059-64, 16 September 1964; (d) CS-311/05280-65, 4 May 1965; (e) CA-3932, 9 October 1964 to Buenos Aires for action; info to Tel Aviv; (f) Deptel 729, 2 February 1965 to Buenos Aires.

AUG 24 2 29 PM '65

As there is some doubt about the amount of uranium shipped to Israel please transmit on an alert basis the information requested below:

- 1) What is the total amount and the amount of contained uranium to be shipped under the 1963 contract? How much uranium has been shipped to Israel to date?
- 2) Is there a new agreement between the two countries for the sale to Israel? Please give details.
- 3) What safeguard controls does Argentina place on the sale of uranium?
- 4) What is the current status of operation of the Argentine uranium processing plants at Cordoba and Mendoza?
 - a) Production capacity.
 - b) Plans to increase production.

BACKGROUND

1. The referenced reports provide information on a contract concluded in November 1963 for the sale of Argentine uranium to Israel. The total quantity of uranium oxide (yellow cake) to be shipped has been reported to be both 100 tons (reference a) and 80 tons (reference b). This difference could be explained if the 100 tons referred to the total weight shipped and the 80 tons referred to the contained uranium--100 tons of about 80 percent uranium oxide concentrate. There also is a difference between the amounts to be shipped every 3 months. Reference c states that

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In Out

FORM 4-63 DS-323

Drafted by: E/REP:EPahl:ert

Drafting Date: 7/21/65

Contents and Classification Approved by: E/REP - Robert B. Sarsfield

Clearances: SCI-Charles W. Thomas (by L.Swedarsky -nl)

CW/T/LS/rl

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states that the shipment was to be increased to 15 tons in March 1965, but reference d. reports that the shipments are continuing on the original schedule of 10 tons every 3 months.

2. References c. and d. report that Argentina is interested in negotiating a new contract with Israel for the sale of an additional 100 tons of uranium oxide. Reference d. stated that Argentina will require new machinery for its uranium-processing facilities before it can provide this amount of uranium. However, reference b. reported that Argentina then was producing about 60 tons of uranium per year at the Cordoba processing plant and that the total production capacity of uranium oxide would be about 120 tons per year when the plant in Mendoza is completed and in operation--expected within 1965.

Addressee posts are requested to coordinate all collection efforts of appropriate collection components in the field.

This request will be held on an alert basis until cancelled in June 1966. Pertinent information which comes to the Embassy's attention prior to that date should be transmitted to the Department without delay. Please reference replies to C-S15-51941.

BALL, ACTING

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