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Status Summary of Nuclear Suppliers
Conference and Relevant Bilateral Discussion

Nuclear Suppliers Meeting, June 18-19

This second round of nuclear suppliers discussions took place in London preceded by a sizeable number of bilateral meetings. Significant progress was accomplished although not as much progress as some would desire. The increased readiness of the French to work with other delegations was encouraging and there was general acceptance that nuclear safeguards should be strengthened.

Several substantive issues were raised where differing views remain:

Safeguards over the entire nuclear fuel cycle of the recipient country as a condition for nuclear cooperation is clearly a very strong condition. Views range from strong support to virtually adamant opposition and the issue will need to be carried forward.

All delegations recognize the nuclear weapons concern for spent fuel reprocessing facilities. The multinational reprocessing concept is generally acceptable to the extent of being a desirable but not mandatory requirement. The US has pushed this concept and will likely continue to do so. However the development of a compromise, fall back position such as a strong bilateral arrangement appears in order. Related to this, is the US position with Iran, of requiring supplier consent as to where and how reprocessing is accomplished. Iran is currently considering this US position before completing an Agreement for Cooperation.

Conditions for Safeguards on reactor technology have been raised primarily by the Canadian delegation with mixed support and a need for further exploration.

In general, suppliers meeting and related bilaterals took place in an increasingly candid and encouraging

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atmosphere. It appears that these activities are influencing the FRG and France to be more cautious relative to sensitive cases such as FRG-Brazil and France-South Korea. Nevertheless, it appears that France is the key to achieving acceptable common suppliers policies.

The suppliers meeting agreed to press on with further development during the summer including appropriate bilaterals with the target of mid September for the next meeting.

Planned Activities

Currently, the US is formulating an approach on several key issues: full fuel cycle safeguards, supplier's consent to reprocessing, mandatory multinational enterprises, safeguards on reactor technology and sanctions. It is noteworthy that both the Canadians and Russians appear to have strong, favorable positions on the issues.

A bilateral with FRG is scheduled for July 14, 1976. The recent FRG-Brazil nuclear agreement will be a major topic for discussion. That agreement covers the entire nuclear fuel cycle from uranium exploration through enrichment, nuclear reactors and reprocessing. In general, the US will be developing a full understanding of the agreement, determining where latitude exists and attempting to move the FRG towards favorable positions on the key issues.

Additional bilaterals will take place during this summer. While these are currently being planned, it is clear that the Japanese need to be more extensively involved in this suppliers activity. Understandably they have been on the sidelines and largely uncommitted to date.

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