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Department of State

TELEGRAM

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SECRET 864

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ACTION EA-14

INFO - OCT-01 EUR-26 ADP-08 ACDA-19 ETAE-80 INR-89 10-13

L-03 NSAE+00 NSC-10 DST-04 RSE-01 SCI-05 GAC-01 PM.08

SS-14 AEC+11 T-03 DM8-01 COME+00 TRSE-00 CIEP+02

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FM AMEMBASSY TAIPE!
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INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY LONDON
AMEMBASSY OTTAWA
EC BRUSSELS
IAFA VIENNA 76
AMEMBASSY TOKYO
AMCONSUL HONG KONG

SECRET TAIPET #875

SUBJECT: PROPOSED ROC REPROCESSING PLANT

REFS: AT STATE 12157

B) TAIPET MISS

CI TOKYO 1935

1. BEGIN SUMMARY: AMBASSADOR CALLED ON FORMIN SHENI
TO RE-EMPHASIZE CONCERN OF USG OVER ROC ACQUISITION OF
NUCLEAR REPROCESSING PLANT, SHEN SAID THAT ROC STILL!
HAS NOT MADE A DECISION, ADDING THAT ROE OF COURSE IN
ANY EVENT HAS NO INTENTION OF ACQUIRING NUCLEAR?
MEAPONS. AMBASSABOR TERMED DECISION TO: BE TAKEN A
POLICY AND NOT A TECHNICAL MATTER AND STRESSED EMPHATIC:
HOPE ROC WOULD NOT SET UP AN UNNECESSARY AND UNECONOMIC
DOMESTIC REPROCESSING PLANT WHICH MIGHT JEOPARDIZE MUCH
LARGER AND MORE IMPORTANT ROC NUCLEAR EMERGY INTERESTS.
END SUMMARY.





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FORM --

Department of State

TELEGRAM

BECRET

TAIPET 00675 3111452

I CALLED ON FORMEN SHEN CHANG-HUAN WANUARY 31 TO RENEW AND REINFORCE BUR REPRESENTATION Addingt PROPOSED ROC REPROCESSING PLANT. CHU CHIN-WANG OF MOFA INTER-NATIONAL AFFAIRS AND POLCOUNS THOMAS ATTENDED.

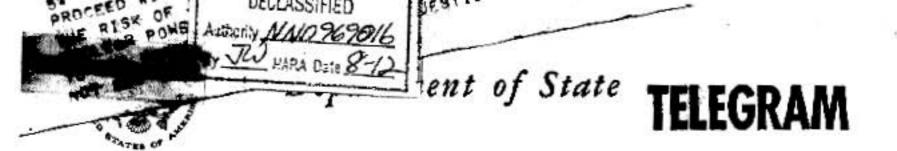
3. I TOLD SHEN THAT I ANTICIPATED THAT HE NIGHT BY NOW HAVE DEFINITE WORD FOR HE OF A FAVORABLE ROCI DECISION ON THE REPROCESSING PLANT ISSUE POLLOWING OUR JAN IS CONVER-SATION. SHEN SAID THAT HE HAD REPORTED OUR EARLIER CONVERSATION TO THE PREMIER AND THE ROCAS ATOMIC ENERGY COUNCIL. HE SAID NO DECTSION HAD YET BEEN REACHED BY THE ROC. HE WISHED TO INFORM HE, HOWEVER, THAT THE ROC HAD NEITHER THE INTENT NOR THE ABILITY TO ABOUTRE NUCLEAR WEAPONS, AND THAT ITS CHIEF INTEREST IN A NUCLEAR REPROCESSING PLANT WAS TO ASSURE A DEPENDABLE AND ADEQUATE FUEL SUPPLY FOR ITS MUCLEAR POWER PLANTS.

4. HE REFERRED TO THE CONVERSATIONS OF MR. MELFRICH OF THE AEC IREF CI WITH ROC REPRESENTATIVES ON HIS RECENT VISIT HERE. HE THOUGHT THAT SCHETHING MEGHT DEVELOP FROM THOSE TALKS. I POINTED OUT THAT THE DISCUSSIONS WHICH MR. HELFRICH HAD HAD WERE VERY USEFUL, BUT WERE LARGELY OF A TECHNICAL NATURE. THE MATTER TO BE DECIDED WAS AN ISSUE OF HIGH POLICY I NOTED THAT THE ESSENTIAL PURPOSE OF MY CALL WAS TO HIGHLIGHT THE STRONG CONCERN WITH WHICH THE UNITED STATES VIEWS THE ROCKS POSSIBLE ACQUISITION OF A REPROCESSING PLANT. I THEN MADE ORALLY POINTS IN PEF A PARA 2% AND LEFT MEMORANDUM WITH HIM COVERING POINTS (4) AND (51) AFTER READING IT TO HIM. I ADDED THAT IT WAS NOT IN THE INTEREST OF THE ROC TO STITULATE THE SUBPICTIONS OF THIRD COUNTRIES REGARDING THE NUCLEAR ACTIVITIES OF ROC. I REAFFTRMED U.S. OFFER TO ASSIST THE ROE IN OBTAINING REPROCESSING SERVICES IN THE UNITED STATES OF ELSENHERE.

5. I SAID THE QUESTION WAS WHETHER THE ROC WISHED TO PROCEED WITH A MARGINAL SMALL LOCAL PROCESSING PEANT AT THE RISK OF JEDPARDIZING THE ROC'S PROJECTED FOUR GREAT NUCLEAR POWER PLANTS; WHICH ARE OF OVEREIDING CONSEQUENCE TO THE FUTURE OF THE ENTIRE ROC ECONOMY. I SAID WE DID NOT SEE HOW THERE COULD BE ANY QUESTION ABOUT THE OVER-

repartment of Star

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WHELMING BALANCE OF ADVANTAGE BEING IN PAVOR OF FOLLOWING THE PRUDENT AND ECONOMICAL COURSE. I SAID THE UNITED STATES WAS CONCERNED AS A FRIEND AND SUPPLIER OF THE REPUBLIC OF CHINA. WE WANTED TO SEE THE EXISTING TAKA INSPECTION ROLE HERE PRESERVED AND PROTECTED. THIS WOULD FACILITATE OUR BILATERAL TRANSACTIONS WITH THE GRO IN THE NUCLEAR POWER FIELD.

6. SHEN REPLIED THAT HE WOULD DISCUSS THE MATTER WITH DR. YEN CHEN-HSING OF THE ATOMIC ENERGY COUNCIL AND REITERATED THAT THE MAIN POC WORRY HAD BEEN THE FUEL' SUPPLY. I NOTED OUR IMPRESSION THAT MOST OF THE POLICY LEVEL PEOPLE IN THE ROC'S ATOMIC ENERGY COUNCIL NOW AGRED THAT IT WOULD BE UNWISE TO PROCEED WITH THE REPROCESSING PLANT. I HOPED THAT THE POSSIBLE INTERFST OF A FEW TECHNICIANS AND SCIENTISTS IN OBTAINING SUCH A PLANT HOULD NOT BE ALLOWED TO OUTWEIGH THE BROADER CONSIDERATIONS INVOLVED. CHEN SAID THAT HE UNDERSTOOD CLEARLY THE POSITION OF THE UNITED STATES, WHICH HE WOULD REPORT FULLY TO THE FRECUTIVE YUAN.

7. I REMARKED THAT I HOPED HE WOULD BEER WITH ME FOR SETTING FORTH THE CASE QUITE CANDIDLY, WITHOUT MINIMIZING THE SERIOUS IMPLICATIONS INHERENT IN THE ISSUE. THE MINISTER SAID HE WAS GLAD I HAD BEEN EXPLICIT. GDS. MCCONAUGHY

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