PRIORITY

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B1, 1.4(D)

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DEPARTMENT OF STATE CMC REARCS

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PAGE 81 STATE 281258 261646Z INFO: CFE (Ø1) NRRC (Ø1) SDEL (Ø1) SNP (Ø1) ----- 26/16472: AB

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STATE 281258 261646Z 812848 U.S. NUCLEAR REFERRAL LIST THRESHOLD FOR CONTROL) TO ALGERIA WOULD BE CLOSELY SCRUTINIZED AND, GIVEN THE REPORTED SPECIFICATIONS, WOULD NOT BE APPROVED IF THERE WERE A RISK OF HISUSE OR DIVERSION, EITHER IN ALGERIA OR SUCH AS AN UNAUTHORIZED RETRANSFER TO LIBYA.

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DRAFTED BY: OES/NEC: RRDELABARRE

H-91

APPROVED BY: OES/NEC: CETHORNE **EUR/CE: MJACKSON**

OES/NEP: JEBETINO DOE: EFET (SUBS) DOC: APARR (SUBS)

NEA/AFN: BCLARK; NEA/RA: DPARSONT ACDA: WSTERN; INR/SPA/STP: BFRISA

DOD: KJOHNSON S/NP: GSAMORE

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18-19

P R 261644Z AUG 91 FM SECSTATE VASHDO TO AMEMBASSY BERN PRIORITY INFO AMEMBASSY ALGIERS AMEMBASSY BELLING AMCONSUL ZURICH

CONFIDENTIAL STATE 281250

E.O. 12356: DECL: OADR TAGS: PARM, MNUC, KNNP, AG, LY, SZ SUBJECT: PROPOSED SALE OF HOT ISOSTATIC PRESS TO ALGERIA

REF: BERN 4487

- 1. THE FOLLOWING IS PROVIDED FOR ENBASSY TO PASS TO GOS IN RESPONSE TO QUESTIONS REPORTED REFTEL REGARDING THE PROPOSED SALE OF A SWISS HOT ISOSTATIC PRESS CHIP) TO ALGERIA.
- 2. THE GOVERNMENT OF ALGERIA (GOA) HAS NOT ADHERED TO THE NUCLEAR NON-PROLIFERATION TREATY OR ACCEPTED IAEA FULL-SCOPE SAFEGUARDS. ALTHOUGH ALGERIA HAS ACCEPTED SAFEGUARDS ON ITS ONE OPERATIONAL NUCLEAR FACILITY: AN ARGENTINE SUPPLIED RESEARCH REACTOR, AND IT HAS DECLARED ITS INTENTION TO SAFEGUARD THE NUCLEAR RESEARCH REACTOR NOW BEING COMPLETED WITH CHINESE ASSISTANCE, THE ORIGINAL SECRECY OF THE ALGERIAN-CHINESE NUCLEAR COOPERATION AND THE APPARENT SIZE OF THE COOLING CAPACITY CONTINUE TO RAISE QUESTIONS IN OUR MINDS ABOUT THE ULTIMATE INTENTIONS OF THE GOA WITH REGARD TO ITS NUCLEAR PROGRAM.
- 3. IN RESPONSE TO GOS QUERY, THE U.S. HAS NO SPECIFIC INFORMATION REGARDING ALGERIAN DIVERSION OF SUPPLIED NUCLEAR EQUIPMENT, MATERIALS OR DUAL-USE ITEMS FOR NUCLEAR WEAPONS-RELATED ACTIVITIES, OR OF DIVERSION OF SUPPLIED ITEMS TO LIBYA OR OTHER COUNTRY OF NUCLEAR PROLIFERATION CONCERN. HOWEVER, THE USG CONTINUES TO BE CONCERNED AND HONITORS THE SITUATION IN ALGERIA CLOSELY.
- 4. SINCE ALGERIA HAS NOT ACCEPTED FULL-SCOPE SAFEGUARDS, THE U.S. CANNOT ENGAGE IN SIGNIFICANT MUCLEAR COOPERATION, SUCH AS SUPPLY OF REACTORS AND MUCLEAR

FUEL, WITH THAT COUNTRY. ALTHOUGH THERE IS NO U.S. EMBARGO PER SE OF EXPORTS TO ALGERIA OF DUAL-USE COMMODITIES SUCH AS HIPS AND COMPUTERS, AN EXPORT REQUEST FROM THE U.S. FOR A HIP OF THIS SIZE MHICH WE UNDERSTAND FROM A SEPARATE DISCUSSION WITH WYSS TO HAVE A WORKING DIAMETER OF 588 MILLIMETERS, WELL ABOVE THE

UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: APPEALS REVIEW PANEL APPEAL ACTION: ADDITIONAL INFORMATION RELEASED **REASON(S): B1, 1.4(D)** DATE/CASE ID: 16 MAR 2005 200102166

> UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: DONALD A JOHNSTON DATE/CASE ID: 20 APR 2004 200102166

PONCIDENTEN