Memorandum of Conversation

DATE: October 29, 1969
TIME: 4:30 p.m.
PLACE: Conference Room ACDA

SUBJECT: US-German NPT Discussions

OFFICIALS OF GERMAN FOREIGN OFFICE AND GERMAN EMBASSY AND
PARTICIPANTS: US OFFICIALS

With Mr. DePalma present, Mr. Ramisch outlined long standing German interest in permanent membership on the IAEA Board of Governors, given the increasingly important role of the IAEA once the NPT is in force. He asked for assurance of active U.S. support for the FRG candidacy, when the question came up.

Mr. DePalma replied that the U.S. has indicated support for the FRG, and specifically for the Italian proposal for revision of Board membership, which he understood met German needs. He anticipated objection to the Italian plan from certain countries, namely Sweden and Spain, who oppose a designated seat for Italy. On the other hand, the plan might satisfy most Latin and African countries, as well as some Asians. The Soviet attitude was also crucial, but it appeared that the Soviets were not facing up to the issue until the FRG signed the NPT. The Soviets were in a position to be obstructive if they chose, and this in turn could hamper the work of the Agency in other fields. The US wished to have the Italian plan brought to a vote at the best possible time, but the question was primarily one of timing and tactics.

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Mr. Ramisch agreed that timing was important and noted that Talking Point 14 discussed gaining Board membership in terms of "subsequent accession stages" of the NPT. He said that the matter of designated or elective seat was not important to the FRG so long as it was permanent. The German request was for some assurance now of active U.S. support, not necessarily for the immediate present, but as the situation developed. Prof. Haefele further explained that the wording of the NPT was consistent with the IAEA safeguards document, but the manner of actual implementation of NPT safeguards would be determined by the IAEA Board. Germany, therefore, wanted a hand in those decisions. What was being asked of the U.S. was to take the second step, not just sympathy for FRG membership, but action in support thereof.

Mr. DePalma offered to consult with the FRG on future tactics. The U.S. wanted to give a helpful answer, since both countries had a common objective. He said he was pleased that the FRG recognized the difficulties on timing.

After Mr. DePalma left, Mr. Farley took up the draft German Government Statement, which had been examined to see whether it identified points of substance requiring comment. He noted that paragraph (7) seemed at first to be citing the NPT withdrawal article, but then ended by saying something different. He asked about the purpose for the change. Mr. Gescher explained that the language had the dual purpose of both contemplating withdrawal and assuring the German public that the Government had the security interests of the country in mind. Ambassador Roth pointed out that in any case, measures could only be taken "together with other European States." Mr. Farley said it was understandable that the FRG would want to do what was necessary to protect its security, but he wondered then why the U.S. and non-European allies were left out. Ambassador Roth offered to study the text and discuss it further.

Mr. Farley noted that paragraph (12) seemed to limit the FRG position on application of safeguards only to the principle of safeguarding at strategic points. He said that if this were really the FRG position, then the U.S. had a problem. Mr. Kratzer added that the US saw safeguarding as an evolutionary process,
with the strategic points concept playing an ever larger role. This was the sense in which we accepted the preambular reference to the principle.

Mr. Ramisch said that for the FRG, the more important reference was in Article III (2), which discussed applying safeguards "in accordance with the principle, etc." Paragraph (12) was of basic importance to the FRG. If it were dropped from the Statement, it would be difficult to explain to the German public. Prof. Haefele said the strategic points concept was developing rapidly, and its elaboration was now approaching the stage where a specific action program could be implemented. Mr. Kratzer again stressed that we were in no disagreement as to the merits of the program, but that the problem was the degree of exclusivity. Prof. Haefele suggested that perhaps adding an "aid" before "in uniformity with the principle of safeguarding, etc." might solve the program by making it clear that the word "only" referred to the earlier part of the sentence. Mr. Kratzer said this would help. Both sides agreed to study the problem further and address it in the agreed minutes.

Mr. Kratzer said he wished to offer more definitive U.S. comments on the FRG talking points relating to peaceful uses and safeguards. With regard to the various paragraphs of the proposed German note containing interpretations he said U.S. contained no problems. However, the excerpted quotations should be drawn up in such a fashion as to make clear where deletions had been made and, in some instances, where the text had been paraphrased. Mr. Huberman agreed to check the original statements and to prepare the excerpts along these lines.

On para c), Mr. Van Doren offered a suggested change which, from the U.S. point of view, would resolve two problems; namely, to make clear that suppliers were not committed to provide information, material, and equipment without any limitations whatsoever, and to eliminate a possible construction that the Treaty provides for no prohibition unless it is proved that a violation has actually occurred. Mr. Kratzer said that the U.S. maintained that the prohibition of the Treaty apply regardless of whether a
violation has actually been detected. To meet these problems, Mr. Van Doren suggested the substitution of the words "on the basis of unfounded allegations" for "until it has been positively established."

Turning to para d), Mr. Kratzer said that he understood on the basis of the morning discussion that we may disregard this paragraph now, since the FRG planned to handle the problem in a different manner. Ambassador Roth confirmed that this was the case.

Mr. Kratzer said that the U.S. had difficult problems with para f), particularly with the middle section. The first and last portions were acceptable except to clarify that the U.S. believed it too difficult to devise a comprehensive definition for nuclear explosive devices. The U.S. would not take exception to the FRG text as drafted, but, if asked, we would say that we believe that it is better advised not to attempt a definition of this kind. Ambassador Roth said that the German delegation would want to consider this proposed procedure.

As for the middle portion, Mr. Kratzer again explained the U.S. difficulties as he had earlier in the day. He said the U.S. believed that the statement, as drafted, could provoke criticism, and therefore hoped that the FRG would agree to drop it from the text. Mr. Gleysteen suggested that perhaps the sentence could be phrased in terms of possible future amendments to the NPT, if and when a distinction could be drawn between PNED's and weapons.

Mr. Ramisch said the interpretive language was not contradictory to the recognition that a review conference would have to deal with the evaluation of developing exclusively peaceful explosive devices. Mr. Kratzer doubted whether the language as drafted made that point clear and suggested some rephrasing, which idea Mr. Ramisch offered to consider.

Prof. Haefele agreed that the case was basically hypothetical. However, US publications were already referring to
a process for generation of steam by underground nuclear explosions, a process which might ultimately be completely distinguishable from weapons.

Turning to interpretation h), Mr. Kratzer noted that the statement was similar to those made by other EURATOM countries at the time of NPT signature. He suggested, however, that the text should leave open for now the question of whether the safeguards agreement should be signed by both the European Commission and the individual member states, or by only the former or only the latter. Mr. Ramisch agreed that it was the intention of the German language to leave the question open. He also agreed, at Mr. Kratzer's suggestion, to change the word "decisive" to "dominant" in the fourth paragraph. Regarding the last paragraph, Ambassador Roth explained that, at the time of signing, the FRG intended to issue selected documentation of previous government statements on the NPT. He acknowledged that the sentence in question seemed a little open-ended, and said the matter was still under consideration in Bonn. Mr. Ramisch noted that Italy had made the same kind of statement on signing. Mr. Van Doren saw some potential difficulty with the procedure, depending on which earlier statements were included in the list.

Resuming discussion of the Talking Points, Mr. Kratzer asked whether part of the problem in paragraph 9 -- whether new IAEA definitions of "source and special fissionable material" would be acceptable to the FRG might not be covered by the very nature of IAEA safeguards agreements. Each agreement contains the definition as used by both parties, and this would not be subject to unilateral change when the agreements were renewed. Mr. Ramisch said that if that were so, there was no real problem with the language of this paragraph.

On paragraph 10, Mr. Kratzer said he has nothing to add, except that the US would gladly consider an extension of the suppliers' agreement regarding the moving of equipment and materials. Mr. Ramisch explained that the primary purpose of this talking point had been to ascertain the US reaction to the FRG intention to indicate at that time of NPT signature its view that each exporting country must decide which materials and equipment are included in NPT Article III (2).
On paragraph 11, Mr. Kratzer also had nothing to add, since U.S. readiness to facilitate a safeguards agreement between IAEA and EURATOM was well known.

Mr. Kratzer likewise had nothing further to say about paragraph 12. When Mr. Ramisch asked whether the US would give a reaction to German intention to refer publicly to the US offer, Mr. Gleysteen suggested that this might be covered in the agreed minutes.

On paragraph 13 and the question of an assured US supply of nuclear fuel for EURATOM, Mr. Kratzer said that Secretary Rogers' reference to a "rule of reason" constituted the best formulation of the US position at this point.

Mr. Ramisch said he recognized the importance of this point and the fact that continued fuel supply is a matter of mutual interest. Nevertheless, he proposed an exchange of views, in a smaller group, on the legal aspects of the hypothetical situation that would arise, should the IAEA-EURATOM safeguards agreement not be concluded within the time proscribed. Arrangements were made to meet the following morning.

With regard to the specific position of liberalizing the current US-EURATOM supply agreements, Mr. Kratzer outlined briefly at Prof. Haefele's request the kind of administrative changes that might be made within the framework of existing agreements, as well as the changes which would first require new legislation. He referred to the fact that in the past the US had considered it an obligation to set aside an amount of fissionable material equal to the ceilings authorized in agreements. He said it might be possible to have ceilings liberalized subject to availability of material, rather than with actual guarantees up to the amount specified. He offered to discuss this and other details of the supply agreement in more detail with Prof. Haefele during a meeting arranged for the following afternoon.
MEMORANDUM OF CONVERSATION

ANNEX

Subject: US-German NPT Discussions
October 29, 1969, 4:30 p.m.

Participants:

ACDA

Mr. Philip J. Farley, Deputy Director
Mr. Culver Gleysteen, Acting Assistant Director, ACDA/IR
Mr. Benjamin Huberman, ACDA/ST
Mr. Herbert S. Malin, ACDA/IR
Mr. Charles N. Van Doren, Deputy General Counsel, ACDA/GC
Dr. Hanno Weisbrod, ACDA/IR

State Department

Mr. Samuel DePalma, Assistant Secretary, IO
Mr. George S. Springsteen, Deputy Assistant Secretary, EUR
Mr. James E. Goodby, EUR/RPM
Mr. Abraham Katz, EUR/RPE
Mr. James S. Sutterlin, EUR/GER

Atomic Energy Commission

Mr. M. B. Kratzer, Asst. General Manager for International Activities, AEC/GM
Mr. H. D. Bengelsdorff, Assistant to Asst. General Manager for International Activities, AEC/GM
Mr. A.M. Labowitz, Special Assistant for Disarmament, AEC/GM
Mr. W.A. Strauser, Assistant Director for International Programs, AEC/SM

Defense Department

Col. Burr J. Randall, Jr., OSD/ISA

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ANNEX

German Delegation

Col. Helmut Roth, Chief, Disarmament Section, German Foreign Office
Mr. Wolf Ramisch, Disarmament Section, German Foreign Office
Dr. Dieter Gescher, Disarmament Section, German Foreign Office
Dr. Wolf Haefele, Director of the Applied Physics Institute, Karlsruhe
Mr. Adolf von Wagner, Second Secretary, Germany Embassy
Mr. Heinz Weber, Interpreter