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S/S #7506907
XR-7505196

DEPARTMENT OF STATE

ACTION MEMORANDUM

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~~SECRET/NODIS~~
(With NODIS Attachment)

Copies to:

S-LPB
C
EUR
PM
S/S-I

April 9, 1975

To: The Secretary

Through: C - Mr. Sonnenfeldt HS

From: PM - George S. Vest

French Foreign Minister's Response on Nuclear Suppliers Meeting

When the French Embassy gave its response, the French Ambassador indicated that his instructions were to convey to you personally from Sauvagnargues certain additional details and clarifications concerning the French position. Attached is a briefing memorandum together with the text of the French response and related documents.

Recommendation:

That you receive the French Ambassador ~~on Friday~~

Approve HAK APR 17 1975

Time 4/16/75 3:30 pm

Disapprove ________

Attachments:

Tab A - Briefing Memorandum of April 7, 1975
Tab B - Sauvagnargues' Letter of April 7, 1975
Tab C - Cable to Sauvagnargues of March 27
Tab D - French Position Paper of February 26
Tab E - Analysis of French Position

~~SECRET/EXDIS~~
(With NODIS Attachment)
XGDS-3

Drafted:PM:GSVest:jmm

DEPARTMENT OF STATE

BRIEFING MEMORANDUM

S/S

4A

~~SECRET~~/NODIS

UNCLASSIFIED

April 7, 1975

To: The Secretary

Through: C - Mr. Sonnenfeldt

From: PM - Mr. West

Response from French Foreign Minister Sauvagnargues Concerning a Meeting of Nuclear Suppliers

The French Response

Minister de la Gorce of the French Embassy this afternoon handed me the attached message (Tab A) to you from Sauvagnargues, responding to your March 27 (Tab B) message concerning an early multilateral meeting on nuclear export policies.

Sauvagnargues' reply states that France is disposed to take part in a multilateral exploratory meeting, provided that we can give them an assurance concerning certain points made to us in previous US-French consultations, and raises several additional points in connection with the negotiations which the French "consider especially important."

Ambassador Kosciusko-Morizet has indicated that his instructions were to deliver Sauvagnargues' message personally to you; under the present circumstances, he decided that it was best to provide it to you in advance. The Ambassador has additional details to convey to you concerning the French position at an early point. He is instructed to request that, if possible, you receive the French Minister of Industry and Research, d'Ornano, during his visit to Washington (OES has forwarded a separate action memo to you recommending that you receive d'Ornano); Ambassador Kosciusko-Morizet might then have a few minutes with you privately to discuss the Sauvagnargues letter and any questions you might have about it.

Discussion

The French have asked that we provide assurances concerning certain substantive and procedural points made to us previously:

a) That the positions set forth in the French paper presented in our February 28 talks (Tab C) represent "the limit of our possibilities", and that in an eventual conference the U.S. delegation would take full account of that fact.

b) That the meetings will be of an informal and confidential character.

c) That decisions eventually taken will be based on common agreement and will not be retroactive.

d) The US has previously indicated that we dismiss the idea of creating an institution to apply the rules decided at a conference.

e) That there should be provision regarding the possibility of release from agreements made.

Generally, although expressed somewhat differently than in the past, these points are consistent with what the French have said in the past. An analysis of these French positions was sent to you previously and is attached at Tab D. With certain clarifications, I believe that we can provide the French with satisfactory assurances on all of these points.

The French reply adds two additional questions which they consider important in connection with the "continuation of this negotiation."

-- The assumption that agreements will not discriminate against France on the basis of its non-adherence to the NPT.

-- The wish to obtain assurances from us that the US will not use its licensing authority with U.S. firms to restrict French exports; and that it will take a liberal attitude in COCOM toward commercial nuclear exports to Eastern countries.

The second and third of these could pose problems; however, from the wording of the French letter, it appears that their intent is to raise these matters as important discussion points between us, rather than as prior conditions to their agreement to enter into multilateral talks.

We will provide in the very near future a further memorandum analyzing the French letter in more detail and suggesting a number of points on which you may wish to seek further clarification from Ambassador Kosciusko-Morizet before replying to Sauvagnargues. Provided that these clarifications are satisfactory, it appears that the French position may be an acceptable basis on which to proceed to an exploratory meeting in April and a conference in June or July.

PM/NPO:GGOplinger:amf
4/7/75 x21835

Clearance: S/P - Mr. Kalicki

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Ambassade de France
aux Etats-Unis

L'Ambassadeur

April 7, 1975

Dear Mr. Secretary,

M. Sauvagnargues has asked me to hand over to you the attached text of his reply to your letter of March 28 concerning your intention to convene a multilateral meeting, of exploratory character, on the questions raised by the export of nuclear material.

I am at your disposal to give you, if need be, further explanations on the positions described in the communication of the French Foreign Minister.

Yours sincerely,

Jacques Kosciusko-Morizet

The Honorable
Henry Kissinger
The Secretary of State
Washington, D. C.

(4C)

Cher Monsieur le Secrétaire d'Etat,

Je vous remercie de votre lettre du 28 mars que j'ai trouvée à mon retour à Paris et ai bien noté votre désir d'organiser rapidement une réunion multilatérale de caractère exploratoire sur l'importante question de la politique d'exportation des principaux fournisseurs de produits nucléaires.

A la suite de l'examen de l'ensemble de la question auquel j'ai procédé avec M. le Président de la République, je suis en mesure de vous préciser comme suit la position du gouvernement français.

Vous connaissez déjà les engagements que nous pourrions prendre à cet égard. Ils ont été exposés dans le memorandum remis à M. Vest le 28 février par MM. Goldschmidt et de Nazelle. Ces engagements constituent la limite de nos possibilités et nous aimerions être assurés qu'au cours d'une éventuelle conférence la délégation américaine tiendra pleinement compte de ce fait.

Quelques points de procédure devraient en outre être précisés, bien qu'il me semble qu'il n'y ait pas de divergences de point de vue entre nous. Nous souhaitons que les réunions conservent un caractère informel et confidentiel, que les décisions éventuelles soient prises d'un commun accord et qu'elles ne soient pas rétroactives. Vous avez déjà indiqué que vous écartiez l'idée de la création

.../...

d'une institution pour appliquer les règles qui seraient arrêtées au cours de la conférence et nous sommes pleinement d'accord sur ce point. Enfin des dispositions devraient être prévues en ce qui concerne la possibilité de se délier des engagements souscrits.

Dès lors que vous nous donneriez l'assurance que vous êtes d'accord sur les points de fond et de procédure que je viens de rappeler, nous serions disposés à nous joindre sous les réserves ci-dessus indiquées, à une réunion multilatérale de caractère exploratoire dans la composition que vous envisagez.

Je dois ajouter que nous souhaitons évoquer, en marge de la conférence exploratoire, deux questions auxquelles nous attachons une importance particulière pour la suite de cette négociation. D'une part il nous paraît évident que nous ne devrions en aucun cas à l'avenir faire l'objet d'une discrimination par rapport aux Etats nucléaires parties au TNP de la part d'un pays fournisseur de produits nucléaires qui invoquerait notre non appartenance à ce traité. D'autre part nous souhaiterions obtenir de votre gouvernement qu'il s'abstienne de faire usage des moyens d'action que lui donnent les licences Westinghouse et General Electric pour freiner nos exportations et qu'il prenne au Cocom une attitude libérale vis-à-vis de la vente de réacteurs et de centrales de type commercial aux pays de l'Est.

Je vous prie d'agréer, Cher Monsieur le Secrétaire d'Etat, les assurances de mes sentiments les meilleurs.

Jean Sauvagnargues.

SECRET

(4D)

ADVANCE ROUGH TRANSLATION OF LETTER
FROM
FRENCH FOREIGN MINISTER TO SECRETARY OF STATE

Dear Mr. Secretary:

I thank you for your letter of March 28 that I found upon my return to Paris, and I have noted your desire to organize rapidly a multilateral meeting of an exploratory character on the important matter of the export policy of the principal suppliers of nuclear products.

After a comprehensive consideration of the matter with the President of the Republic, I am prepared to set forth for you, as follows, the position of the French Government.

You are already aware of the commitments that we might make in that regard; they were stated in the memorandum sent to Mr. Vest on February 28 by Mr. Goldschmidt and Mr. de Nazelle. Those commitments represent the limit of our possibilities and we should like to be assured that the American delegation will take that fact fully into account in the course of an eventual conference.

Some points of procedure should also be settled, although it seems to me that there are no differences in our points of view. We wish the meetings to remain informal and confidential, that any decisions will be made by common agreement, and that they will not be retroactive. You have already indicated that you dismiss the idea of creating an institution to apply the rules decided upon during the conference, and we are in full agreement on that point. Finally, provisions should be established regarding the possibility of exceptions to the agreements made.

As soon as you assure us that you agree on the points of substance and procedure that I have mentioned, we shall be disposed to associate ourselves with the reservations indicated above, in a multilateral meeting, of an exploratory character, of the composition that you envisage.

I must add that we wish to raise on the margin of the exploratory meeting, two questions which we consider especially important for the continuation of this

negotiation. First, it seems evident to us that we should not in any case in the future be the object of discrimination with respect to the nuclear States by nuclear suppliers which might invoke our non-adherence to that Treaty. Also, we should like to obtain assurance from your Government that it will refrain from using means available to it through the Westinghouse and General Electric licenses to restrain our exports and that it will take in COCOM a liberal attitude vis-a-vis the sale of commercial reactors and plants to the Eastern countries.

Very truly yours,

Jean Sauvagnargues

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Department of State UNCLASSIFIED TELEGRAM

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NPO FILE

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APPROVED BY: C:HSUNNENFELDT
OES-DR RAY
ACDA-ADM DAVIES
NSC-DR ELLIOTT
EUR-MR HARTMAN
PM-MR VEST
S/P-MR BARTHOLOMEW
S/S-JPMOFFAT
S-MR BORG

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E.O. 11652: XGDS-3
TAGS:PARM
SUBJECT: NUCLEAR SUPPLIERS CONFERENCE

1. PLEASE DELIVER THE FOLLOWING MESSAGE FROM THE SECRETARY TO SAUVAGNARGUES AS SOON AS POSSIBLE:

2. BEGIN TEXT: DEAR MR. MINISTER: THANK YOU FOR YOUR MESSAGE OF MARCH 18. I AM GLAD THAT WE HAVE BEEN ABLE TO MAKE PROGRESS ON THE QUESTION OF EXPORT POLICY UNDERSTANDINGS AMONG NUCLEAR SUPPLIERS. I WILL OF COURSE BE PREPARED TO PURSUE THIS WITH YOU EARLY NEXT MONTH. IN THE MEANTIME, THERE IS A GENERAL DESIRE ON THE PART OF THE COUNTRIES CONCERNED TO MAKE FURTHER PROGRESS TOWARD COMMON UNDERSTANDINGS AMONG THE KEY SUPPLIERS AS SOON

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AS POSSIBLE. I CONSEQUENTLY BELIEVE THAT WE HAVE REACHED A STAGE IN OUR CONSULTATIONS WHERE WE SHOULD TAKE THE NEXT STEP TOWARD SUBSTANTIVE AND MULTILATERAL EXCHANGES OF VIEWS. WE THEREFORE PLAN TO RESUME BILATERAL CONSULTATIONS SHORTLY ON THE SUBSTANTIVE PROPOSALS UNDER DISCUSSION, LEADING TO AN EXPLORATORY MULTILATERAL MEETING PREFERABLY AS SOON AS THE MIDDLE PART OF APRIL. THE VIEWS AND POSITIONS OF FRANCE ARE OF COURSE AN IMPORTANT ELEMENT IN DISCUSSIONS OF POSSIBLE MULTILATERAL SUPPLIER UNDERSTANDINGS, AND I AM SURE YOU WILL WISH YOUR VIEWS TO BE KNOWN. I VERY MUCH HOPE THAT YOU WILL FIND IT POSSIBLE TO JOIN US IN THIS EFFORT, AND I LOOK FORWARD TO HEARING FROM YOU ABOUT THIS AFTER YOUR RETURN TO PARIS. WITH WARM REGARDS. END TEXT.

3. IN DELIVERING THIS LETTER, EMBASSY IS INSTRUCTED TO INDICATE TO GOF THAT WE PROPOSE TO BEGIN CONSULTATIONS WITH OTHER SUPPLIERS AT THE END OF NEXT WEEK. YOU SHOULD ALSO INDICATE THAT THE OBJECTIVE OF THE EXPLORATORY MULTILATERAL MEETING WOULD BE TO CLARIFY EXISTING AREAS OF CONSENSUS, IDENTIFY AREAS REMAINING TO BE DISCUSSED AND CONSIDER SUBSEQUENT MEETINGS TO ACHIEVE THAT PURPOSE. KISSINGER

→ JTK 2

26 Février 1975.

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Le Gouvernement français envisage les engagements suivants, qui seraient à prendre dans un cadre et sous une forme à déterminer, et qui visent exclusivement à éviter que la compétition commerciale entre les pays fournisseurs affaiblisse les mesures de sauvegardes contre la prolifération.

1. - Toute collaboration nucléaire avec une puissance non-nucléaire ne se ferait que dans le cadre d'accords d'utilisation pacifique excluant explicitement tout usage de dispositif nucléaire explosif.

2. - Le Gouvernement français est prêt à déterminer à un stade ultérieur, une liste de matières et d'équipements similaire à la liste Zangger mais n'allant pas au-delà de celle ci. La fourniture des matières et équipements inscrits sur cette liste à des Etats non-nucléaires entraînerait automatiquement des contrôles de l'AIEA couvrant les matières nucléaires produites et dont la durée correspondrait à celle de l'utilisation de l'équipement ou à celle de la présence dans le pays des matières nucléaires concernées.

Toutefois, pour des raisons exceptionnelles il devrait être possible de transgresser le principe ci-dessus et de recourir par exemple à des contrôles bilatéraux en prévenant suffisamment à l'avance les pays concernés.

3. - Le Gouvernement français n'est pas disposé à refuser la fourniture, avec les mesures de contrôle appropriées de l'AIEA, de matières nucléaires de qualité militaire, ou de [illegible]

En revanche, le Gouvernement français est prêt à encourager des Etats non-nucléaires à se grouper dans des entreprises à participation multinationale pour l'enrichissement de l'uranium ou le retraitement chimique.

En outre, le Gouvernement français souhaiterait explorer avec le Gouvernement des Etats-Unis l'idée suivante : obtenir un engagement des pays qui auraient accepté les contrôles de l'AIEA sur les équipements sensibles ou sur une installation nucléaire déterminée qu'ils ne reproduiront pas un tel équipement ou une telle installation à la même échelle ou à une échelle différente sans les soumettre aux contrôles de l'AIEA.

4. - Le Gouvernement français est prêt à instaurer un échange de vues régulier sur les problèmes de protection physique des matières et des installations nucléaires (vol, rapt, sabotage) ainsi qu'à inclure une clause concernant ces problèmes dans de futurs accords relatifs à des exportations sensibles.

5. - Le Gouvernement français n'est pas en mesure de donner suite à la cinquième proposition du Gouvernement américain. Il ne peut accepter une liste d'Etats ou de régions sensibles ou instables, ni un catalogue de mesures particulières, ni le principe d'échanges de vues obligatoires.

Il serait néanmoins prêt à un échange de vues sur l'opportunité de prévoir qu'un Etat fournisseur puisse prendre l'initiative, dans des cas spécifiques touchant des pays ou des zones de tensions particulières, d'avoir des conversations avec tel ou tels autres Etats sur des conditions restrictives supplémentaires qui pourraient être prises, de façon à ce que ces mesures ne risquent pas de créer des distorsions de concurrence entre ces Etats./.

(42) PM

DEPARTMENT OF STATE

BRIEFING MEMORANDUM 7505196

UNCLASSIFIED
SECRET/XGDS

TO : The Acting Secretary March 13, 1975 1077

FROM: PM - George S. Vest

French Views on Common Supplier Nuclear Export Policies

Purpose

Comparison of French and US views on common export policies for nuclear suppliers.

Background

We have had substantive talks with the French on January 13 and 14 and follow-up talks on February 28 on the US proposal for common supplier policies on safeguards conditions for nuclear exports. In the latest talks, the French gave us a paper outlining French views on the US proposal. The French delegation presented the paper as the "maximum commitment" that France would be willing to make. However, it became clear in the discussions that in some areas there appeared to be some flexibility, while in other areas the French delegation did not have specific guidance on the details of their position.

Overview

As a general observation, we have seen a significant change in French attitudes toward supplier cooperation compared with pre-1974; their movement from an almost completely aloof and independent posture in this area to their present willingness to engage in frank and detailed consultations bilaterally is the most significant advance. Until we approached them last fall, little was known about French safeguards policy, and the fear of French competition on softer safeguard terms was an important negative factor in the decision-making of other supplier countries. We now know a good deal, and stand to learn more in future discussions. Moreover, it is clear both from our bilateral discussions and from the paper they have given

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us that in the process their policies have moved closer to what the rest of us regard as responsible behavior, and this probably reflects French recognition of the need, within limits, for a common supplier front. The position they have outlined on our substantive points in effect represents de facto acceptance of NPT weapons-state export obligations for France. In addition, they have suggested going beyond that point in several areas: adherence to the equivalent of the Zangger "trigger list," imposing adequate physical security conditions on exports, and some limited special constraints in the critical areas of enrichment, reprocessing, and in exports to sensitive countries.

These are impressive advances, and we may be able to gain more in negotiations. But the probable limits of French cooperation still fall short of what the other six might accept. In particular, we would like to go farther in constraining the spread of reprocessing, and in developing common constraints on exports to sensitive areas such as the Middle East. Indeed the argument can be made that it is precisely in the most dangerous areas of the whole problem that French participation will limit what we can do. And we must recognize that other participants may have strong feelings about accepting France's wish to set the limits.

Nevertheless, a set of understandings which excludes France may not in the long run be worth very much. Indeed, there is the danger that other key suppliers may choose not to participate without France (the FRG and Japan have already left this as a possibility). A France isolated and operating outside of the accepted rules and political influence of the rest of us could undercut any system we devise. Keeping France with us may mean that we achieve less at this point, but whatever we do achieve will be more meaningful, and give us a basis for expanding in the future both the substance of and participation in common supplier policies. It is noteworthy in this connection that the French delegation said France saw this effort as a first step in continuing US/French cooperation on this subject.

Analysis

A comparison of the texts of the US proposal and the French paper is attached. Similarities and differences between the two are discussed below.

Point 1 - PNE Exclusion

The US and French position are the same. The French will agree to include a PNE exclusion provision in connection with nuclear exports.

Point 2 - IAEA Safeguards and Trigger List

The French are willing to agree to a general commitment to require IAEA safeguards, with suitable provisions for duration and coverage, as proposed by the US. However, in paragraph two they provide for imposing bilateral safeguards rather than IAEA safeguards in exceptional cases. In explaining this clause, the French delegation stressed that there was no intent to undermine the universal application of IAEA safeguards. Rather, they were introducing minimal flexibility to permit the handling of exceptional cases. In such cases, they proposed obligatory consultations with other suppliers. At one point, they implied that decisions to use bilateral safeguards in exceptional cases would require agreement by other suppliers, although this was not stated explicitly.

With regard to formulation of a list of exports that would trigger safeguards, the French are willing to accept the Zangger list possibly with a few reasonable additions (e.g. heavy water plants). They would not want to see a major expansion to include more detailed listing of equipment. On the other hand, the French may be willing to accept new items as the civil nuclear technology develops and as other reasonable items for inclusions are identified.

With the possible exception of adding specific items to the Zangger list and the decision process for permitting exceptions, given obligatory consultations, the US should have little substantive problem with the French position on point two.

Point 3

The US proposal suggested IAEA safeguards on the entire fuel cycle, a non-proliferation (e.g., an NPT or NFZ) commitment, and multinational ownership in connection with export of reprocessing and enrichment equipment and technology and on export of highly enriched uranium and plutonium for power reactors. In the January talks, the US also proposed that suppliers agree to encourage multinational enrichment and reprocessing facilities and to dis-

courage further transfer of technology/know-how to NNWS for developing a national fuel cycle pending review and study of the benefits of multinational facilities.

The French position presented in the paper does not accept the US proposal for IAEA safeguards on the entire fuel cycle and a non-proliferation commitment as necessary conditions for supply. On the other hand, the French Government has suggested, as an alternative, safeguards on technology transfer on sensitive exports and would be willing to encourage NNWS to join in enterprises with multinational participation for enrichment or reprocessing.

In fact, the US and French positions are not as clearly delineated as the above texts would indicate. On enrichment, the French will probably not transfer its diffusion technology to another party and any sitings in third countries would include major French ownership and involvement primarily for commercial rather than non-proliferation reasons. Such sitings would probably only be considered in very stable third countries where the possibility of nationalization or abrogation of agreements was negligible. On chemical reprocessing, however, they show little reluctance to selling either technology or equipment to NNWS for development of a national fuel cycle except in the most extreme cases (e.g., Libya). French encouragement of multinational reprocessing seems to be limited to support of studies in the area. In their explanation, the French delegation also said that "encouraging" would probably not mean that they would deny a sale of reprocessing technology or equipment to a country like Argentina, if approached by French industry for such a sale.

The French are proposing in their paper, as an alternative to the US suggestions on reprocessing, that the technology transfer be safeguarded by requiring as a condition of sale that any future facilities constructed in the country utilizing the same principles of operation would have to be safeguarded. Canada and the FRG have also proposed the same concept. The Canadian position currently call for broadening this concept to apply to all items on the trigger list. The French in discussions have expressed some interest in including other exports such as CANDU reactors technology but were reluctant to go beyond their specific guidance, which would apply this idea to reprocessing.

On reprocessing, therefore, the French view is to continue to export but to add safeguard constraints on technology in order to insure that an unsafeguarded reprocessing capability could not be built on the basis of French exports. The French view then is to continue commercial sale under safeguards. The US view, on the other hand, is that a national reprocessing capability leads directly to a nuclear explosive capability. In addition, a national reprocessing capability makes economic sense only if a country has a very large civil nuclear industry and even then will not be economically justifiable until the cost of natural uranium increases significantly. Thus the tactical implication of the US position is to delay and discourage acquisition of national reprocessing capabilities in NNWS and perhaps eventually permit development in the context of multinational enterprises under stringent constraints to insure both safeguards and inhibit abrogation.

On export of weapon-usable material the French view is to apply no special constraints; the decision to export or not export would be made on a case-by-case basis by each supplier (e.g., to India but not Libya). The US initial position was to apply special constraints to such exports such as requiring the whole cycle under IAEA safeguards adequate physical security and a non-proliferation commitment. Presently, we are examining the possibility of leasing the HEU and Pu fuel rods to insure a greater degree of control over this material.

Based on our understanding of the French view, it is doubtful that we will be able to persuade the French either on a bilateral basis or in a multinational meeting to agree to more stringent constraints than proposed in their paper on export of reprocessing and export of weapons-usable material. On the other hand, we may be able to get French support on more stringent conditions on enrichment. However, it may be difficult, particularly in a multilateral context, for the French to support more stringent conditions on enrichment without undermining the French position on reprocessing.

Point 4 - Physical Security

Although the US has not totally fleshed out its position in this area, the French seem generally amenable to what we have told them of our approach:

a) Support for an international convention on physical security;

b) A provision in supplier/recipient agreements for adequate physical security.

Point 5 - Sales to Sensitive Areas

On this point, the French are making it rather clear that they will not accept a COCOM-type consultative arrangement, identification of any blacklist of countries, delineation of sensitive exports or agreement to specific special constraints. They would be willing to agree to some consultation with other appropriate suppliers at the discretion of each supplier. The US approach to this point has been to suggest that consultations are needed in this area and some framework for these consultations and possible special constraints should be discussed in the suppliers meeting. The French appear reluctant even to discuss this issue in a multilateral context because of the delicacy of the issue. Perhaps the most we can expect from the French on this point in a multilateral context is general discussion of possible constraints and agreement to have some consultations among appropriate suppliers at the discretion of each supplier. On the other hand, the French have showed a willingness in our bilaterals to candidly discuss with the US the details of their current and proposed exports to various countries. Moreover, they have acknowledged that some countries must be treated differently than others. If this exchange is indicative of the process the French envisage, such an outcome would represent a major step toward coordinating US and French export policies. However, other participants may see this as an unsatisfactory outcome from their point of view.

Attachment:

As stated.

Drafted by:PM/NPC:LVNosenko/ds
3/11/75 ext 21835
Clearances: C - Mr. Terrell
S/P - Mr. Bartholomew
ERDA - Mr. Poor
ACDA - Mr. Boright
OES - Mr. Jenkins
NSC - Dr. Elliott
EUR/RPE - Mr. Lamb

Comparison of French and US Views

US Suggested Policies	French Suggested Policies
1. Nuclear cooperation would be undertaken with non-nuclear weapon states only under agreements as to peaceful uses, which would explicitly exclude use in any nuclear explosive devices.	1. Same as US text.
2. Nuclear supply would be undertaken only when covered by IAEA safeguards, with appropriate provisions for duration and coverage of produced nuclear material.	2. The French Government is ready to determine at a later stage, a list of materials and equipments similar but not more extensive than the Zangger list. Supply of materials or equipment of this list to non-nuclear weapon states will automatically call for IAEA safeguards with coverage of produced nuclear material and for a duration corresponding to the length of use of the equipment or the presence of the nuclear material concerned in the country. However for exceptional reasons it should be possible to transgress the above principle and make use for instance of bilateral safeguards in warning sufficiently in advance the countries concerned.
3. Supply of weapons-grade material, or of uranium enrichment or chemical reprocessing equipment or technology, to non-nuclear weapon states should be subject to special restraint. Such special restraint might include supply only for enterprises with multinational participation, or only to those non-nuclear weapon states which have made a general commitment to non-proliferation, and which have accepted IAEA safeguards on their entire fuel cycle.	3. The French Government is not ready to refuse the supply with appropriate IAEA safeguards of weapon grade material or of uranium enrichment or chemical reprocessing equipment or technology to non-nuclear weapon countries who have not accepted IAEA safeguards on their entire fuel cycle if these countries do not abide to that last condition. The French Government is on the other hand ready to encourage non-nuclear states to join in enterprises with multinational participation for uranium enrichment or chemical reprocessing.

US Suggested Policies	French Suggested Policies
	Furthermore the French Government would like to explore with the United States Government the following ideas obtaining an undertaking from countries who will accept IAEA safeguards on sensitive equipments or on a given nuclear installation that they will not reproduce such an equipment or installation at the same scale or at another scale without submitting them also to the IAEA safeguards.
4. Nuclear supply would include appropriate requirements for the physical protection of materials and facilities against theft, seizure or sabotage.	4. The French Government is ready to institute regular exchange of views on the problem of physical protection of nuclear materials and installations (Theft, Seizure, or Sabotage) and is ready to include a clause concerning this problem in future agreements concerning its exports of sensitive supplies.
5. Stringent conditions might be developed on the supply of sensitive nuclear material, equipment, or technology to countries or regions where such exports would contribute to the particular risks of conflict or instability.	5. The French Government is ready to follow the fifth proposal of the American Government. It cannot accept the establishment of a list of special measures nor the principle of compulsory exchanges of views. It is however ready to exchange views on the usefulness of considering that a supplier state could take the initiative in specific cases concerning countries or regions under particular tension, to have conversations with one or a few other states on supplementary stringent conditions that could be taken in a way that these measures should not risk to create distortions of competition in between those states.

S/S No. 7506907

Staffing: Lichtblau /

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Checklist: Dated Initials Clearance Recommendation

Declassification

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REMARKS

Sent to C

Sent back by S for ~~information and action~~ redo of options to exclude dual meeting with d'Ornado and Morizet.

~~No further distribution~~ Redistribute to S, LSE, LPB, D, P S/P 4/9 KG

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✓ Yes ___ No: Record Action on DAR ___ No further distribution required.

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~~S-MBoyle~~	S/S-O	ARA	H	S/IG	D/LOS
LPB	S/S-S	EA	L	S/IO	D/BFS
D	S/S-EX	EUR	INR	S/CCT	ACDA
P	S/S-M	NEA	PM	S/NM	AID
E	S/AB	IO	A/SY	S/PM	AID/IDC
T	S/AJ	EB	M/DG	S/PRS	ACTION
M	S/AM	CU	~~ARM~~	S/R	USIA
C	S/P	PA	SCA	M/HS	USOAS
				M/EEO	

3/31/75