

3. The phrase "subject to USA safeguards" was not repeat not inserted as a criterion but to indicate the willingness of USA to register any sale to which it had been a party and to encourage the recipient nation to agree to such registration.

4. As to discrimination, Winfree pointed out that if all supplier nations agree on the registration of natural uranium sales there will be no repeat no discrimination within this one area. For the info of the Canadian Government only, Winfree observed that USA was already prepared, once agreement was reached on natural uranium, to take similar steps on the registration of special fissionable material, reactors and special hardware. It was his understanding that UK was prepared to do likewise. Winfree observed that USA objective was the complete registration of all relevant items without discrimination. They felt that any attempt to cover everything in one step would complicate matters. Since action on special fissionable materials, etc. involved fewer countries they felt that the broader and possibly more uncertain agreement on natural uranium had to be taken first to provide a suitable foundation for action on the other items.

5. Winfree agreed that uncontrolled sales or failure to develop Agency safeguards by an early date will require reassessment of the situation.

6. To date USA has had no repeat no other reply to its note. France got off to a slow start and only forwarded the note to Paris about January 6.

675.

DEA/14002-2-6-40

*Le secrétaire d'État aux Affaires extérieures
au haut-commissaire au Royaume-Uni*
*Secretary of State for External Affairs
to High Commissioner in United Kingdom*

TELEGRAM ET-303

Ottawa, February 29, 1960

CONFIDENTIAL. PRIORITY.

Reference: Your Tels 455,† 456† Feb 16.

Repeat Washington, Geneva, Vienna (Information).

By Bag T&C.

URANIUM SALES: USA AIDE MÉMOIRE OF DECEMBER 29

We appreciated the opportunity to study the proposed UK reply to the USA aide mémoire of December 29 and have the following comments which you should communicate to the Commonwealth Relations Office.

2. We consider that the principal value of the proposed system of registration of sales would be as a reinforcement of safeguards and agree that it would have little meaning unless all members of the Agency were prepared to accept safeguards and to participate in the plan for registration. Moreover, at the present time, when the prospects of achieving a multilateral safeguards system may have improved somewhat, a move by the Western suppliers to initiate a system of registration might tend to emphasize existing differences and create additional difficulties for the safeguards discussions. We should therefore consider it too early to make such a move now.

3. In our reply to the USA aide mémoire we shall wish to comment on the proposed limitation of registration to sales of natural uranium. Though we understand that the intention would be later to include other nuclear materials, we should not in the existing circumstances