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DEA/14001-2-6-40

*Note du chef de la 1^{ère} Direction économique
au sous-secrétaire d'État adjoint aux Affaires extérieures*

*Head, Economic (1) Division,
to Assistant Under-Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], June 9, 1960

IAEA SAFEGUARDS: MEETING WITH U.S. OFFICIALS ON JUNE 14

The "safeguards" paper (GC/IV/108) was provisionally approved by the IAEA Board of Governors at its last session, with five abstentions (USSR, Bulgaria, Czechoslovakia, India and Ceylon). It will now go to the General Conference "for consideration and appropriate action in accordance with the Statute." This formula, which was favoured by the United States, is deliberately vague and leaves undecided whether the operative clause of the Statute will be V(D) (which gives the General Conference the right to discuss and make recommendations) or V(F) (which gives it the authority to take decisions on any matter specifically referred to it for this purpose by the Board of Governors). The present meetings were suggested by the United States for the purpose of discussing, not the substance of the safeguards paper, but the proper tactics for steering it successfully through the General Conference. As a means to this end the State Department has proposed that the United States, Canada and the United Kingdom make diplomatic approaches to a number of countries during the summer rallying support for the safeguards concept and attempting to explain the system of control developed in the safeguards paper. The United Kingdom was inclined to think that discussion of tactics and strategy should be left to our representatives at the Board of Governors meeting beginning June 14, but may now participate in the talks to take place in Ottawa. The following are the points that should probably be discussed:

1. *Tactics at the Conference.*

Our representative in Vienna has suggested, and it seems with reason, that the first question to be settled is that of tactics at the General Conference itself. That is, we should decide whether we are prepared to accept a paragraph by paragraph discussion of the document in the general sense of Article V(F)(I) of the Statute, or whether we should try to confine the discussion to generalities as apparently envisaged under V(D). The United States is reported to think that we are unlikely to avoid a full-scale discussion. If this is so, we should probably devote our efforts to defeating proposals for amendments — particularly those which may be intended to introduce the "case-by-case" approach favoured by the USSR and by India.

2. *Countries to be approached.*

The United States is said to be preparing a list. Our Washington Embassy reports that United States officials regard the Soviet bloc as a hopeless proposition, but would be prepared to discuss this question if there were thought to be any scope for action. India has recently turned down a United States approach and is omitted from the list. The U.A.R. has been included and it is in general considered to be important to rally as many of the under-developed countries as possible in advance since the Indian line will probably continue to be that safeguards discriminate against the under-developed countries. I understand that Mr. Arnold Smith is back in Ottawa on home leave; if he is returning to Cairo in time, we might suggest that he would be a good person to approach the U.A.R. (There would be the added advantage that we could probably discuss the subject with him before he leaves Canada.) We might also offer to have another crack at India. Ceylon is another possibility, as Mr. George will arrive there soon.