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June 14, 1975

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National Security Decision Memorandum 298

TO:

The Secretary of Defense
The Deputy Secretary of State
The Director, Arms Control and
Disarmament Agency
The Administrator, Energy Research and
Development Administration

SUBJECT:

FRG Reactor Sale to the USSR

The President has reviewed the paper prepared by the NSC Verification Panel Working Group on the above subject, and has noted the views of the addressees. He has decided that:

- -- The U.S. is prepared to grant an exemption for the FRG reactor sale now pending before COCOM if the USSR will supply the uranium for the fuel and give a peaceful purposes assurance for the reactor and its produced plutonium.
- -- IAEA safeguards should be required in future COCOM cases for weapon states only where the nuclear export concerned would reasonably be expected to create a significant risk of diversion of fissionable materials to non-peaceful uses.

The President has also directed that the working group prepare a study of the prospects and implications of U.S. nuclear trade with Communist countries, with a view to reconciling our national and COCOM positions.

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Henry A. Kissinger

cc: The Director of Central Intelligence

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By <u>U</u># NLF Date <u>4/7/97</u>