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Office of the White House Press Secretary

THE WHITE HOUSE

SUMMARY FACT SHEET

STATEMENT BY THE PRESIDENT ON NUCLEAR POLICY

I. THE PRESIDENT'S ACTION

The President today issued a major statement on nuclear policy, calling upon all nations to join in a cooperative effort to preserve the benefits of peaceful uses of nuclear energy while preventing nuclear proliferation. As a part of a comprehensive statement, he announced decisions to:

- . accelerate U.S. diplomatic initiatives, in conjunction with nuclear supplier and customer nations, to control the spread of plutonium and the technologies for separating plutonium from nuclear fuel.
- change U.S. policy on reprocessing of nuclear fuel to provide that the U.S. will not proceed with reprocessing and recycle of plutonium unless there is sound reason to determine that the world community can effectively overcome the associated risks of proliferation.

The President concluded that the U.S. and other nations can and should increase their use of nuclear power for peaceful purposes even if reprocessing and recycling of plutonium are found to be unacceptable.

II. BACKGROUND

- . During the past 30 years, the U.S. has been the unquestioned leader in worldwide efforts to assure that the benefits of nuclear energy are available while destructive uses are prevented.
- . During the past two years, President Ford has:
 - stepped up efforts to strengthen controls against proliferation abroad.
 - acted to expand the use of nuclear energy in the U.S.
- . Last summer, the President directed that a thorough review be undertaken of U.S. nuclear policies and options, with particular attention to exports, reprocessing, waste management and non-proliferation.
- . As a result of the policy review, discussions with members of Congress, and consultations with other nations, the President decided on the new policies and actions announced today.

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III. SUMMARY OF THE PRESIDENT'S STATEMENT

- A. The problem to be solved: Prevent proliferation of nuclear explosives capability abroad while (i) preserving the benefits worldwide of peaceful uses of nuclear energy and (ii) reducing the uncertainties that have delayed expanded use of nuclear energy in the U.S. Specifically:
 - 1. Nuclear fuel, as it produces power, also produces plutonium which can be chemically separated from spent fuel and used to generate additional power. But the same plutonium produced in nuclear plants can, when separated, also be used as a key ingredient of nuclear explosives.
 - 2. As additional nations use nuclear energy for peaceful purposes, there has been a tendency abroad toward the spread of the technology and facilities for chemically separating ("reprocessing") spent fuel for producing other nuclear materials useful in making explosives.
 - 3. The U.S., acting alone or unilaterally, cannot deal effectively with proliferation. International cooperation involving both nuclear suppliers and customers is essential because many nations are expanding the use of nuclear power to meet energy requirements; and several nations, in addition to the U.S., are able to supply nuclear fuel and technology (including sensitive technology). No nation has a monopoly.
 - 4. In the U.S., uncertainties about reprocessing and long-term management of nuclear wastes have contributed to delays in the expanded use of nuclear power.
- B. Objectives: The actions announced today are aimed at:
 - 1. Strengthening the commitment of all nations to the goal of non-proliferation and building an effective system of international controls to prevent proliferation of nuclear explosives capability.
 - 2. Changing and strengthening U.S. domestic nuclear policies and programs to contribute to our non-proliferation goals.
 - 3. Establishing, by these actions, a sound foundation for the continued and increased use of nuclear energy in the U.S. and abroad in a safe and economic manner.

C. Principal Policy Decisions:

1. Reprocessing and reycling of plutonium should not proceed unless there is sound reason to conclude that the orld community can overcome effectively the asociated risks of proliferation.

- 2. Avoidance of proliferation must take precedence over economic interests.
- 3. U.S. and other nations can and should increase their use of nuclear power for peaceful purposes even if reprocessing and recycle of plutonium are not found acceptable.
- 4. Specific decisions to implement the overall policy positions include:
 - Change domestic policies to conform with the decision to defer commercialization of chemical reprocessing.
 - Call upon all nations to avoid transferring or making commitments to transfer reprocessing and uranium enrichment technology and facilities for at least three years.
 - Call upon supplier nations to take new cooperative steps to help assure an adequate and reliable supply of fuel for customer nations that forego reprocessing and uranium enrichment capability to accept strengthened and effective proliferation controls.
 - Maintain U.S. role as a major and reliable supplier of nuclear reactors and fuel services (e.g., uranium enrichment) for peaceful purposes.
 - Take new steps to urge all nations to join in a full-scale international cooperative effort to develop effective proliferation controls.
 - Take new steps with respect to U.S. exports, to control proliferation while seeking to strengthen multilateral guidelines.
 - Sponsor a program to evaluate reprocessing in support of the new international policies.
 - Take new steps to assure that long-term nuclear waste storage or disposal facilities are in place when needed both in the U.S. and around the world.

D. Actions to Implement Our Nuclear Policies

The President announced a number of specific actions to implement the nuclear policies outlined in the statement.

- 1. <u>In accordance with the change in U.S. policies on nuclear fuel reprocessing, the ERDA Administrator is to:</u>
 - -- Change his agency's policies and programs which heretofore have been based on assumptions that reprocessing would proceed.
 - -- Encourage prompt action by industry to expand spent fuel storage facilities.

- -- Identify R&D efforts needed to investigate the feasibility of recovering energy value from used nuclear fuel without separating plutonium.
- 2. To avoid proliferation risk, all nations are asked to join with the U.S. in exercising maximum restraints in the transfer of reprocessing and enrichment technology and facilities by avoiding such sensitive exports or commitments for a period of at least three years.
- 3. To assure an adequate energy supply for customer nations:
 - -- Nuclear suppliers are urged to provide nuclear customers with fuel services instead of sensitive technology and facilities.
 - -- The Secretary of State is to explore with other nations, arrangements for coordinating fuel services to assure a reliable and economical supply of low enriched uranium fuel and fuel services.
 - -- The Secretary is also to enter into negotiations on the disposition of spent fuel with consumer nations that adopt responsible nonproliferation controls.
 - -- The U.S. will continue cooperative efforts with other countries to develop their indigenous non-nuclear energy resources.
- 4. To strengthen the U.S. role as a reliable supplier of nuclear reactors and fuel for peaceful purposes, the President will:
 - -- Submit to the new Congress proposed legislation to permit expansion of capacity in the United States to produce enriched uranium.
 - -- Work with the new Congress to improve our export controls in a way that provides maximum assurances that the U.S. will be a reliable supplier for the full period of nuclear cooperative agreements.
- 5. To achieve effective international controls against proliferation:
 - -- The Secretary of State is to pursue discussions aimed at establishing a new international regime to provide storage for excess civil plutonium and spent reactor fuel.
 - -- The Secretary and the Administrator of ERDA are to work with other nations in a major effort to upgrade the International Atomic Energy Agency's (IAEA) safeguards functions and capabilities.

- -- The Secretary of State is to work with other nations to develop and apply improved standards of physical security at nuclear facilities, including exploration of a possible international convention.
- -- The U.S. will respond to any violation of a safeguards agreement to which it is a party with at least an immediate cut off of our nuclear cooperation with that nation.

6. In the control of U.S. nuclear exports:

- -- The U.S. will apply new criteria in judging whether to enter into new or expanded agreements for peaceful nuclear cooperation.
- -- The Secretary of State is to enter into negotiations to conform existing agreements between the U.S. and cooperating nations with established international guidelines and our new criteria.
- -- The Secretary is to intensify discussions with nuclear suppliers aimed at expanding the common international guidelines for cooperative agreements to conform with the new criteria.
- -- The Secretary is to work with the NRC to further emphasize non-proliferation controls in the nuclear export licensing process, pending passage of new legislation.

7. In order to mount a program to evaluate reprocessing:

- -- The Administrator of ERDA is to begin immediately to define a reprocessing and recycle program consistent with our international objectives outlined earlier, which program should complement the NRC's on-going evaluations of reprocessing and recycle.
- -- The Secretary of State is to invite other nations to participate in designing and carrying out an evaluation program, which program would be subject to full IAEA safeguards and inspection.

8. To assure that nuclear waste management facilities are available in the mid-1980's:

- -- The Administrator of ERDA is to take necessary action to speed up the program to demonstrate all components of waste management technology by 1978, and to demonstrate a complete repository for commercial high-level nuclear wastes by 1985. He is also to submit plans for the repository to the NRC for licensing to assure its safety and acceptability.
- -- The Secretary of State is to discuss with other nations the possibility of centrally located multi-nationally controlled nuclear waste repositories.

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