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E.O. 12065: N/A
TAGS: PARM, TNUC, SCSA, JA
SUBJECT: PLUTONIUM SUPPLY/DEMAND PROJECTION SAID TO BE
UNDER PREPARATION BY GOJ

1. FOLLOWING IS EMBASSY TRANSLATION OF ARTICLE APPEARING
IN JAN. 7 ISSUE OF NIHON KEIZAI SHIMBUN:

2. HEADLINE: "GOVERNMENT STARTS DRAWING UP LONG-TERM
PLAN FOR DEMAND AND SUPPLY OF PLUTONIUM, IN PREPARATION
FOR JAPAN-US ATOMIC ENERGY NEGOTIATIONS".

3. TEXT: "THE GOVERNMENT HAS STARTED THE FORMULATION OF
A BASIC STRATEGY IN ORDER TO COPE WITH JAPAN-US ATOMIC
ENERGY NEGOTIATIONS, WHICH ARE EXPECTED TO BE HELD FROM
ABOUT SUMMER IN 1981. IN THE NEGOTIATIONS BETWEEN JAPAN
AND THE U.S., WHETHER OR NOT THE U.S. WILL APPROVE THE
CONSTRUCTION OF A PRIVATE REPROCESSING PLANT TO
MANUFACTURE PLUTONIUM, WHICH WOULD BECOME A RAW MATERIAL
FOR ATOMIC BOMBS, IS EXPECTED TO BECOME A FOCAL POINT.
THEREFORE, THE POLICY OF THE GOVERNMENT IS TO ESTABLISH
EARLY A PLUTONIUM DEMAND-SUPPLY PLAN COVERING A PERIOD
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REVIEW AUTHORITY: Charles Lahiguera, Senior
Reviewer

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OF 10 TO 15 YEARS IN THE FUTURE, AS TO WHICH PLAN NO
DEFINITE LINE HAS YET BEEN DECIDED BY THE STATE, AND
HAVE THE NECESSITY OF JAPAN'S REPROCESSING ENTERPRISE
RECOGNIZED IN THE JAPAN-US NEGOTIATIONS.

"THE PRESSING PROBLEM BETWEEN JAPAN AND THE U.S. IS THE
PROBLEM OF CONTINUING THE OPERATION OF THE TOKAI-MURA
REPROCESSING PLANT, THE TERM OF WHICH OPERATION WILL
EXPIRE AT THE END OF APRIL THIS YEAR. IN THIS REGARD,
THE JAPANESE SIDE IS HOLDING NEGOTIATIONS WITH THE U.S.

SEPARATELY FROM FULL-SCALE NEGOTIATIONS, SO THAT EXTENSION OF THE OPERATION WILL BE APPROVED PROVISIONALLY.

"THE ATOMIC ENERGY NEGOTIATIONS BETWEEN JAPAN AND THE U.S. HAVE PRODUCED SOME SATISFACTORY RESULTS IN THE JAPAN-U.S. JOINT STATEMENT IN SEPTEMBER 1977, SUCH AS THE DECISION ON THE PROVISIONAL OPERATION OF THE TOKAI-MURA REPROCESSING PLANT. HOWEVER, NO DECISIONS HAVE AS YET BEEN MADE ON THE CONSTRUCTION OF A SECOND REPROCESSING PLANT BY PRIVATE CIRCLES, FOLLOWING THE TOKAI-MURA REPROCESSING PLANT, CONSTRUCTION OF FAST BREEDER REACTORS, AND SUCH BASIC PROBLEMS AS TO USE PLUTONIUM NOT ONLY FOR FAST BREEDER REACTORS BUT ALSO FOR LIGHT-WATER REACTORS.

"IT IS REGARDED AS CERTAIN THAT PRESIDENT-ELECT REAGAN, WHO IS A POSITIVE ADVOCATE OF ATOMIC ENERGY DEVELOPMENT, WILL MOVE IN THE U.S. TOWARD RESUMING THE CONSTRUCTION OF FAST BREEDER REACTORS. HOWEVER, AS TO HIS FOREIGN POLICY ON ATOMIC ENERGY, THE VIEW IS DOMINANT IN THE GOVERNMENT THAT HE WILL NOT READILY APPROVE REPROCESSING WHICH IS LINKED TO THE MANUFACTURE OF NUCLEAR WEAPONS, BECAUSE OF THE REAL EXISTENCE OF THE UNITED STATES' TRADITIONAL NUCLEAR NON-PROLIFERATION POLICY AND THE NUCLEAR NON-UNCLASSIFIED

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PROLIFERATION ACT WHICH IS THE BASIS OF THIS POLICY.

"THEREFORE, THE GOVERNMENT JUDGES THAT TO CONVINCING THE U.S. AS TO THE CONSTRUCTION OF A REPROCESSING PLANT BY PRIVATE CIRCLES, IT IS NECESSARY TO CLARIFY THE USES OF PLUTONIUM TO BE MANUFACTURED AT THE PLANT. ACCORDING TO THE PLAN, THE PRIVATE REPROCESSING PLANT IS TO BE COMPLETED ABOUT 1990, NINE YEARS HENCE, BY THE SERVICE OF THE JAPAN ATOMIC FUEL CORPORATION, AND PLUTONIUM IS TO BE MANUFACTURED BY PROCESSING SPENT NUCLEAR FUEL AMOUNTING TO 1,200 TONS ANNUALLY. AT THAT TIME, HOWEVER, ONLY THE PROTOTYPE REACTOR "MONJU" (ELECTRICITY OUTPUT: ABOUT 300,000 KW) WILL BE OPERATED AS A FAST BREEDER REACTOR USING PLUTONIUM AS FUEL, AND MOST SURPLUS PLUTONIUM FROM THE REPROCESSING PLANT WILL BE USED FOR THE ATR (ADVANCED THERMAL REACTOR--NEW-TYPE CONVERTER REACTOR) OR THE LIGHT-WATER REACTOR.

"HOWEVER, NO UNIFIED POLICY HAS YET BEEN DECIDED WITHIN THE GOVERNMENT ON THE USES OF THE SURPLUS PLUTONIUM. THE SCIENCE AND TECHNOLOGY AGENCY AND THE POWER REACTOR AND NUCLEAR FUEL DEVELOPMENT CORPORATION ARE ASSERTING THE LINE OF CONSTRUCTING SOME DEMONSTRATION REACTORS FOLLOWING THE ATR PROTOTYPE REACTOR (FUGEN), WHICH IS IN OPERATION AT PRESENT, AND EQUIPPING IT WITH PLUTONIUM FUEL. HOWEVER, MITI AND ELECTRIC POWER INDUSTRY CIRCLES ARE LEFT UNABLE TO DECIDE TO CARRY OUT THIS PROPOSAL.

IF THIS SITUATION CONTINUES, IT WILL BE DIFFICULT TO
PERSUADE THE U.S. AS TO THE NECESSITY FOR REPROCESSING.
THEREFORE, THE GOVERNMENT HAS DECIDED TO COPE WITH THE
JAPAN-U.S. NEGOTIATIONS BY DECIDING AT AN EARLY DATE ON
A LONG-TERM PLAN AS TO HOW JAPAN SHOULD USE PLUTONIUM
FOR THE LIGHT-WATER REACTOR, THE ATR, AND FAST BREEDER
REACTOR". MANSFIELD

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