STATEMENT BY THE RT. HONOURABLE EDWARD HEATH, M.P., LORD PRIVY SEAL, LEADER OF THE UNITED KINGDOM DELEGATION AT THE MEETING IN BRUSSELS ON JULY 3, 1962, BETWEEN THE MEMBER GOVERNMENTS OF THE EUROPEAN ATOMIC ENERGY COMMUNITY AND HER MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Mr. Chairman

The opening to-day of the negotiations for the accession of the United Kingdom to the European Atomic Energy Community marks the start of a further stage in our journey towards full United Kingdom participation in the closer union of Europe. It gives me great pleasure to be here for this purpose. Your Community is concerned with a completely new technology, with which the United Kingdom has also been deeply involved and in which we have consequently gained much experience. I am often asked what Britain can contribute to Europe. In the field of nuclear energy, I am sure that our experience will enable us to make a major contribution which, added to what you have already achieved, should greatly assist the further development of this new technology.

2. The splitting of the atom, the breakthrough which led to the exploitation of nuclear energy, was one of the outstanding achievements in the great European tradition of fundamental nuclear research. With this tradition, we associate the names of such men as Bohr, Einstein, Fermi, Joliot Curie, Max Planck and Rutherford. It is a living tradition. Niels Bohr is still the Head of the Danish atomic research programme and two of the other pioneers of nuclear energy, Sir James Chadwick and Sir John Cockcroft, are to-day members of the United Kingdom Atomic Energy Authority. Nuclear science has already achieved dramatic results, which have made a profound impression on the life of this planet. Its potentialities are tremendous. Euratom has been able to concentrate its efforts on the peaceful development of nuclear energy; we have been impressed by the way in which it has tackled this task.

3. When your Community was set up there were widespread fears that without nuclear power Europe could only meet its ever-growing need for electrical energy by relying to an undue extent on coal or oil. These fears have receded a little. It is beyond doubt that within a fairly short time we shall have increasing need of nuclear power, but we have been given a little more time in which to explore different lines of development. There are so many ways along which atomic energy can profitably be developed and so many problems which need to be solved that no one country can hope to pursue them all successfully. Progress will be surer and quicker if we co-ordinate and combine our efforts.

4. The growing costs of nuclear research and the need to advance on as broad a front as possible, resulted in the second half of the 1950s in the development of important co-operative projects between the free countries of Western Europe. The lead was taken by the European Organisation for Nuclear Research (CERN) established in 1953, through which 12 West European countries combined to provide near Geneva some of the very expensive equipment needed for fundamental research in nuclear physics. Its success has meant that European physicists have had at their disposal equipment comparable to that in the United States and Russia. The next step was the establishment in 1957 of the European Nuclear Energy Agency under the auspices of O.E.E.C. The Agency has been to a

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large extent concerned with the practical application of nuclear energy and has brought into being three successful international projects - the HALDEN project in Norway, a development of the boiling heavy water reactor, the EUROCHEMIC pilot chemical processing plant, and - of particular interest to us - the DRAGON project, to which I shall refer later. The establishment of your Community in 1958 marked a further step in the development of European co-operation which was to some extent different in kind from the earlier steps.

5. We in the United Kingdom have already enjoyed close co-operation with your Community and its Member States through C.E.R.N. and E.N.E.A. and through the agreement for direct co-operation which we reached with you in 1959. Exchanges under this agreement have been largely in the field of research and development, in which we have exchanged experts and held discussions on many subjects of mutual interest. We have also held useful talks on the economics of nuclear power and on health and safety. And we have been glad to provide the Euratom Supply Agency with fissile material for users in the Community. These exchanges have been supplemented by direct co-operation with the countries of Europe both before and after the establishment of your Community.

6. Our accession to Euratom would make our co-operation much closer and more comprehensive with great advantages to us all. I should like at this point, Mr. Chairman, to say a little about the development of nuclear energy in the United Kingdom.

7. The British nuclear power programme is the largest in the world. It will provide our economy with a third fuel to supplement our supplies of coal and oil. Its main purpose in the long run is to enable electricity to be produced at progressively lower costs compared to what would be possible using only conventional fuels.

8. The British nuclear power programme has been under way since 1955. The Calder Hall and Chapelcross reactors have been operating since 1956 with great success and have already generated over 7,500 million kilowatt hours of electricity. Eight much larger stations are under construction for our Electricity Boards and two more are already planned. Their total capital cost will be about £500 million, that is $1,400 million, excluding the initial fuel charges. These stations when completed will produce about 4,500 megawatts of electricity or about one eighth of the country's electricity supplies. The generating stations which we are building under this programme are of the MAGNOX type. More than five years' experience has given increasing confidence in the operation of this type of reactor and its fuel, and British firms are also building MAGNOX reactors for power stations in Italy and Japan.

9. The United Kingdom Atomic Energy Authority are also engaged in an extensive programme of research and development of more advanced reactor systems which it is hoped will progressively lower electricity generating costs. The prototype of the advanced gas-cooled reactor is shortly expected to become operational. The possibility of making a further advance in gas-cooled reactor technology is being investigated in the E.N.E.A. collaborative project in Winfrith, in particular with the construction of the high temperature reactor, DRAGON.

10. A large research and development effort is being devoted to the fast reactor system, which offers the promise of low generating costs and will use as fuel the plutonium from the earlier nuclear power stations. This work is based on the

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establishment at Dounreay, where the experimental reactor began operation in 1959. Work is now being directed towards a prototype reactor.

11. The Authority are also carrying out research on a smaller scale on water-moderated reactors, and this work will be extended to cover reactors for use on land and in marine propulsion. In this latter field a vigorous programme of research and development has been launched in the United Kingdom and in collaboration with the Belgian firm, Belgonucleaire.

12. Basic work on nuclear energy has been carried out since 1945 at Harwell, which continues to provide the fundamental support for the reactor development programme. Fusion research is now being concentrated at the new laboratories at Culham. An important programme is also being carried out on the uses of radioisotopes. High energy physics research is carried out at the National Institute for Research in Nuclear Science, whose machines are used both by the universities and the Authority.

13. Expenditure on the civil research and development programme of the United Kingdom Atomic Energy Authority alone, is about £50 million per annum, that is $140 million. This programme, and the construction of nuclear power stations, has introduced United Kingdom industry to a whole range of new techniques and processes and has thereby stimulated technical advance on a wide front.

14. I have endeavoured to give a general impression, Mr. Chairman, of British achievements over nearly 20 years in the development of nuclear energy for peaceful purposes. We are proud of these achievements and would be happy to contribute the experience which we have gained to an enlarged Euratom.

15. We approach these negotiations in the same spirit as we are approaching the negotiations for our accession to the European Economic Community. We are ready to accept the substantive provisions of the Euratom Treaty as they stand. The only amendments we think we shall have to suggest to the Treaty itself will be those which are the necessary consequence of the accession of a new member to your Community. As far as we are concerned, any other special arrangements whether transitional or permanent which may be agreed in the course of negotiations can, we think, be dealt with by protocols or understandings.

16. We should like during the negotiations to ask you to clarify some of the provisions of the Treaty and to explain to us how they work in practice. We may want to suggest that some agreed interpretations should be embodied in some form of protocol or understanding. There are a number of these detailed points, but we do not think any of them need cause real difficulty. To quote two examples of the sort of thing we have in mind, we should like the recognition in some form that Article 105 applies to all agreements which had been entered into by the United Kingdom Government or its nationals with the Governments and nationals of third countries at the time of our entry into the Community, in the same way as it applied to all the agreements into which you had entered prior to the conclusion of the Treaty. And we shall need to exclude from the application of Article 198, those British overseas territories which do not wish to join Euratom, and to which that Article would otherwise apply.

17. I should now like to turn to three points which are of major importance to us. My first point concerns the

arrangements for co-operation in atomic energy matters between the members of an enlarged Euratom and other West European countries. The United Kingdom's accession to Euratom and possibly that of other countries will affect fundamentally the existing arrangements in this field. We recognise that they will have to be reviewed and we shall need to consider whether they should be continued or replaced by new arrangements. Some of our partners in E.N.E.A. may join your Community or become linked with it in some other way. However, we think it important that arrangements should be made to enable those which do not, to continue to co-operate with the member countries of the enlarged Euratom in the peaceful development of atomic energy. We hope you will agree that it would be in the scientific and technical interests of the enlarged Euratom to continue to co-operate closely with the other West European countries.

18. Secondly, we have noted that the Euratom Council of Ministers has recently adopted a programme of research and investment for the five years from 1963 to 1967. This programme had, of course, to be drawn up without our participation and without taking account of the contribution which we might make to the development of atomic energy within the enlarged Community. We do not want to suggest anything in the course of our negotiations which would slow down the development of your research effort. Nor would we wish in the negotiations themselves to enter into detailed technical discussion on future collaboration in research. We would, however, like to discuss with you what procedure could be adopted, assuming a successful conclusion to the negotiations, to provide some sort of review of this programme in the light of the new circumstances which would be created by our accession. But I should like once again to stress that, in our view, the object of this review should not be to slow down your programme. The object should rather be to see how duplication can be avoided and how we can best contribute to the common effort. We fully recognise that a research programme cannot be abruptly changed and that an attempt to do this might result in the loss of some of the valuable progress which Euratom has already made in this field.

19. My third point concerns defence. It is our understanding that the Euratom Treaty was drafted to provide a framework for the development of the peaceful uses of nuclear energy and that the Euratom Community is not concerned with the nuclear defence programmes of those Member States which have them. We assume that your Community is not and will not be involved in the military uses of atomic energy and that our nuclear defence programme will accordingly remain outside the ambit of Euratom.

20. A complication arises, however, from the fact that our nuclear defence programme is not a self-contained entity which can be clearly demarcated from our civil nuclear activities: in some of our nuclear centres, there is, to a significant extent, a combination of military and civil activities. We have been giving careful thought to the problem of how we can enable Euratom to exercise its responsibilities in the civil field while taking account of our defence interests.

21. I should like to make it quite clear that, subject to a few reservations of detail, we entirely accept that, if we join Euratom, all our civil and predominantly civil establishments will come within the scope of the Treaty. In practice, this will mean all the nuclear power stations of the Electricity Generating Boards; all the civil research establishments of the Atomic Energy Authority, including Harwell, Winfrith Heath

and Dounreay; all the establishments or private firms engaged in nuclear industry except a few which are engaged on defence work; and other institutions working in the nuclear field such as the National Institute for Research in Nuclear Science. The remainder of my remarks apply only to that limited part of our nuclear programme which is concerned wholly or substantially with defence or which is affected by the need to protect information which is classified for defence reasons.

22. I think it would be most convenient if I set out our assumptions about the way in which the Treaty would operate in this limited field under five headings: security control, supplies, classified defence information, health protection and international agreement.

23. First, security control. We understand that the Euratom Security Control does not extend to material which is being specially prepared to meet defence requirements or which is placed or stocked in a military establishment. We assume from this that control does not extend to establishments which are engaged predominantly in nuclear research and production for military purposes. The main United Kingdom establishments at present in this category are those of the Weapons Group of the United Kingdom Atomic Energy Authority. As its name implies this group of establishments is almost wholly concerned with research, development and manufacture of certain parts of nuclear weapons systems. Also included in this category are the Admiralty nuclear submarine establishment at Dounreay in Scotland and the various depots at which nuclear warheads or fissile material intended for the defence programmes are stocked.

24. Some of our production establishments, however, are engaged to a major extent on the production of materials for both civil and military purposes or use technologies which are classified for defence reasons. We think it reasonable to assume that security control under the Treaty was not intended to apply fully to such mixed civil and defence establishments. At the same time we recognise that if the Euratom Commission is to discharge its essential responsibilities in the field of security control, it must be given the information required under the Treaty about the civil work of these establishments to the extent that this is consistent with military security. A special régime accorded to these establishments would enable this to be done. We take it that we shall not be required to submit operating records in respect of these establishments and facilities or parts thereof, or details of their technical characteristics, or be asked to submit them to inspection; and that security control will not apply to the nuclear materials in them or produced from them except when they are allocated to civil purposes.

25. Second, supplies. We understand that Member States are at present permitted to acquire, allocate, stock and use nuclear materials for their defence programme to the extent that they deem necessary and that the Euratom Supply Agency's powers do not extend to this material. We assume that we shall enjoy this freedom and that the United Kingdom will also be able to fulfil her commitments to supply nuclear material to the United States under the amendment of May 1959 to the Anglo-American "Agreement for Co-operation on the Uses of Atomic Energy for Mutual Defence purposes".(1) We assume also that fissile material earmarked for defence purposes will not be the property of the Community under Title Two, Chapter VIII of the Treaty.

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(1) "Treaty Series No. 7 (1959)", Cmnd. 859