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From: LES_EIS
To: Doris Mendiola
Date: 3/15/04 8:14AM
Subject: Comment 33,70-3103: LES enrichment plant andNational Security, Objection to lic app. LESS

>>> "PHILLIP BARR" <pharb2@msn.com> 03/12/04 12:44AM >>>
Here is one article on Dr. Khan and Urenco. The NRC says there will be no NRC employees at the proposed Eunice Plant . This company is a huge security risk.

Phillip Barr Lea County
Roots of Pakistan Atomic Scandal Traced to Europe
Author: Craig S. Smith
Publication: The New York Times
Date: February 19, 2004
[Note from Hindu Vivek Kendra: And these very same countries with lax controls are wanting to put pressure on India to have strong controls!]

The Pakistani scientist Abdul Qadeer Khan has been demonized in the West for selling atomic secrets and equipment around the world, but the trade began in Europe, not Islamabad, according to court documents and experts who monitor proliferation.

The records show that industry scientists and Western intelligence agencies have known for decades that nuclear technology was pouring out of Europe despite national export control efforts to contain it.

Many of the names that have turned up among lists of suppliers and middlemen who fed equipment, materials and knowledge to nuclear programs in Pakistan and other aspiring nuclear nations are well-known players in Europe's uranium enrichment industry, a critical part of many nuclear weapons programs. Some have been convicted of illegal exports before.

The proliferation has its roots in Europe's own postwar eagerness for nuclear independence from the United States and its lax security over potentially lethal technology. It was abetted, critics say, by competition within Europe for lucrative contracts to bolster state-supported nuclear industries. Even as their own intelligence services warned that Pakistan could not be trusted, some European governments continued to help Pakistan's nuclear program.

"It was an economic consideration," said Paul Stais, a former Belgian member of the European Parliament who lobbied unsuccessfully for tighter export controls.

One name to emerge from the international investigations of Dr. Khan's nuclear trade was that of Urs Tinner, a Swiss engineer who monitored production of centrifuge parts at a factory in Malaysia. The parts were intended for Libya. Mr. Tinner's father, Friedrich Tinner, also an engineer, came under scrutiny by the Defense Department in the 1970's and again by Swiss export control authorities and the International Atomic Energy Agency in the last decade, because he was involved in exports to Pakistan and Iraq of technology used in uranium enrichment.

In the 1970's, Friedrich Tinner was in charge of exports at Vakuum-Apparate-Technik, or VAT, when the company was identified by the Defense Department as shipping items with possible nuclear-related uses to Pakistan, according to documents and VAT company officials. He later set up his own company, now called PhiTec AG, which was investigated by the Swiss in 1996 for trying to ship valves for uranium enrichment centrifuges to Iraq. The Tinners were never found to have broken any laws, Swiss officials said.

"Most of these people were heavily investigated in the 1970's, 80's and 90's," said Mark Hibbs, the

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Add=T. Johnson (TCJ)
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European editor of the technical journal Nucleonics Week, published by McGraw-Hill.

The problem began with the 1970 Treaty of Almelo, under which Britain, Germany and the Netherlands agreed to develop centrifuges to enrich uranium jointly, ensuring their nuclear power industry a fuel source independent of the United States. Urenco, or the Uranium Enrichment Company, was established the next year with its primary enrichment plant at Almelo, the Netherlands.

Security at Urenco was by most accounts slipshod. The consortium relied on a network of research centers and subcontractors to build its centrifuges, and top-secret blueprints were passed out to companies bidding on tenders, giving engineers across Europe an opportunity to appropriate designs.

Dr. Khan, who worked for a Urenco Dutch subcontractor, Physics Dynamic Research Laboratory, was given access to the most advanced designs, even though he came from Pakistan, which was already known to harbor nuclear ambitions. A 1980 report by the Dutch government on his activities said he visited the Almelo factory in May 1972 and by late 1974 had an office there.

After Dr. Khan returned to Pakistan with blueprints and supplier lists for uranium enrichment centrifuges at the end of 1975, American intelligence agencies predicted that he would soon be shopping for the items needed to build the centrifuges for Pakistan's bomb. They soon detected a flow of equipment from Europe to Pakistan as Dr. Khan drew on Urenco's network of suppliers using a trusted group of former schoolmates and friends as agents.

The Dutch government report found that in 1976, two Dutch firms exported to Pakistan 6,200 unfinished rotor tubes made of superstrong maraging steel. The tubes are the heart of Urenco's advanced uranium-enriching centrifuges.

In 1983, a Dutch court convicted Dr. Khan in absentia on charges of stealing the designs, though the conviction was later overturned on a technicality. Nonetheless, in the late 1980's, Belgian ministers led delegations of scientists and businessmen to Pakistan, despite warnings from their own experts that they were meeting with people involved in the military application of nuclear technology.

"Every well-informed person knows the inherent danger of an intense collaboration with a country such as Pakistan," wrote René Constant, director of Belgium's National Institute of Radioactive Elements in February 1987, chastising Philippe Maystadt, then the country's minister of economic affairs, after one such visit.

That same year, despite American warnings to Germany that such a sale was imminent, a German firm exported to Pakistan a plant for the recovery of tritium, a volatile gas used to increase the power of nuclear bombs. The company simply called the plant something else to obtain an export license.

"The export control office didn't even inspect the goods," said Reinhard Huebner, the German prosecutor who handled the subsequent trial of the company's chief, Rudolf Ortmayers, and Peter Finke, a German physicist who went to Pakistan to train engineers there to operate the equipment. Both men were sentenced to jail for violating export control laws.

But there were clues that the technology had spread even further: a German intelligence investigation determined that Iraq and possibly Iran and North Korea had obtained uranium-melting expertise stolen from Urenco in 1984, Mr. Hibbs reported in Nucleonics Week several years later.

In 1989, two engineers, Bruno Stemmler and Karl Heinz Schaab, who had worked for Germany's MAN New Technology, another Urenco subcontractor, sold plans for advanced uranium enrichment centrifuges to Iraq. They went to Baghdad to help solve problems in making the equipment work.

In 1991, after the first Iraq war, international inspectors were stunned to discover the extent of Saddam Hussein's hidden program. Mr. Schaab was later convicted of treason but only served a little more than a year in jail. Mr. Stemmler died before he could be tried.

David Albright, a former weapons inspector for the International Atomic Energy Agency, said he helped retrieve a full set of the blueprints from Iraq after the major combat operations ended last year. United States inspectors have not found evidence that Mr. Hussein had restarted his nuclear program, but Mr. Albright said there were still drawings unaccounted for.

"It's an unnerving issue," said Mr. Albright, who is president of the Institute for Science and International Security. "A lot of nuclear weapons design stuff could be missing in Iraq."

As recently as last year, German customs agents seized high-tensile-strength aluminum tubes made by a German company and bound for North Korea. The tubes matched the specifications for the housings of Urenco's uranium-enriching centrifuges.

One name on a list of suppliers to Iran that came to light in recent investigations was Henk Slebos, who studied with Dr. Khan at Delft Technological University in Leuven, Belgium, in the late 1960's.

In the early 1980's, Mr. Slebos was arrested for shipping an oscilloscope, used in testing centrifuges, to Dr. Khan in Pakistan. He was convicted and sentenced to a brief prison term in 1985. Mr. Slebos declined to comment for this article.

In 1998, he withdrew five Pakistan-bound shipments that the Dutch authorities had stopped in the Netherlands, Belgium and Austria because they contained "dual use" items, which could be used for uncovventional weapons as well as civilian purposes.

Last September, Mr. Slebos was among the sponsors of an international symposium on advanced materials in Pakistan organized by Dr. Khan. Jaap de Hoop Scheffer, who was then the Dutch foreign minister and is now NATO's secretary general, told Dutch members of Parliament that Mr. Slebos was still doing business with Dr. Khan, though he did not elaborate.