1. IN JANUARY 19 AND 20 MEETINGS WITH INER DIRECTOR CHIEN CHI-PENG AND CIST PRESIDENT LT. GENERAL TANG CHUN-PO AND THEIR RESPECTIVE STAFFS, LEVIN MADE NUCLEAR PRESENTATION WHICH CLOSELY FOLLOWED THAT MADE EARLIER IN TAIPEI MEETINGS WITH ROC OFFICIALS (REFTEL A). RECALL OF INER LEADERSHIP WHICH SAT IN DEEP SILENCE FOR SEVERAL MINUTES FOLLOWING CONCLUSION OF PRESENTATION. THIS HIATUS WAS FOLLOWED BY SEVERAL QUESTIONS PROBING THE LIMITS OF OUR REVISED NUCLEAR POLICY, INCLUDING ONE AS TO WHETHER U.S. WOULD HELP OR HINDER INER PROGRAM FOR FABRICATION OF LOW-ENRICHED URANIUM FUEL FOR POWER REACTORS. TEAM RESPONDED THAT WHILE DETAILS OF U.S. NUCLEAR POLICY REMAINED TO BE WORKED OUT, IT WAS LIKELY THAT COUNTRIES WHICH OBSERVED U.S. CONFIDENTIAL

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NON-PROLIFERATION STRUCTURES COULD PROBABLY EXPECT CONTINUED U.S. ACQUIESCENCE IN DEVELOPMENT OF LOW-ENRICHED FUEL FABRICATION CAPACITY.
2. AS INDICATION THAT U.S. MESSAGE HIT HOME, DURING TOUR OF 
INER FACILITIES DEPUTY DIRECTOR LI YU-HAO POINTED TO THE MIXED 
OXIDE FUEL FABRICATION BUILDING, NOW UNDER CONSTRUCTION, AND 
REFERRED TO IT AS THE "FORMER" MIXED OXIDE FACILITY.

3. AT CIST, GENERAL TANG RESPONDED TO PRESENTATION BY DECLAR-
ING "WHAT IS SAID IS FULLY UNDERSTOOD." HE REFERRED TO ROC'S 
REPEATED ASSURANCES THAT IT WOULD NOT MAKE NUCLEAR WEAPONS 
AND NOTED THAT AS A GOVERNMENT ORGANIZATION, CIST MUST FOLLOW 
THIS POLICY VERY STRICTLY. CIST LEADERSHIP THEN OUTLINED 
RELATIONSHIP BETWEEN THEIR ORGANIZATION AND INER (PROVIDED 
SEPTEL).

4. FOLLOWING DISCUSSION OF NUCLEAR ISSUE, CIST HEADS OF 
eLECTRONICS AND ROCKETRY PROGRAMS COMPLAINED RATHER FORCE-
FULLY ABOUT RESTRICTIVE "STATE DEPARTMENT" MUNITIONS CONTROL 
PRACTICES. THEY CHARGED THAT U.S. WAS WITHHOLDING OLD TECH-
NOLOGY AND WAS DISCRIMINATING AGAINST ROC -- EVEN INDIA WAS 
GETTING THINGS DENIED THE ROC. LEVIN REPLIED THAT MUNITIONS 
CONTROL MATTERS WERE A FUNCTION OF OVERALL U.S. POLICY. HE 
REMINDED AUDIENCE THAT WHATEVER FAULTS THEY MIGHT FIND WITH 
OUR POLICY, IT HAD BROUGHT PEACE AND STABILITY TO TAIWAN FOR 
MORE THAN TWENTY YEARS. HE ALSO REFERRED TO GROWING U.S. 
SENTIMENT AGAINST ARMS AND MILITARY TECHNOLOGY TRANSFERS AND 
SAID IT WAS LIKELY THAT THE NEW ADMINISTRATION WOULD TAKE A 
HARD LOOK AT OUR GLOBAL PRACTICES IN THIS AREA. LEVIN CONCLUDED 
BY NOTING THAT U.S. APPRECIATES THE IMPORTANCE OF AN ADEQUATE 
ROC DEFENSIVE CAPABILITY TO THE PEACE IN THE TAIWAN AREA AND 
HAS ACTED ACCORDINGLY.

COMMENT. TEAM HAS COMPLETED OVERVIEW TOUR OF INER AND OF 
CIST LIBRARY, COMPUTER, AND MACHINE SHOP FACILITIES. IT IS 
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BEGINNING TODAY TO MAKE A DETAILED CHECK OF KEY INER 
FACILITIES. TO DATE ROC HAS BEEN COOPERATIVE IN RESPONDING 
TO TEAM REQUESTS.

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