1. WHEN YOU NEXT SEE ETEMAD YOU SHOULD INFORM HIM THAT THE NEW ADMINISTRATION IS MOVING ALONG EXPEDITIOUSLY IN ITS COMPREHENSIVE POLICY REVIEW ON NON-PROLIFERATION AND NUCLEAR EXPORTS WITH COMPLETION TARGET DATE OF EARLY MARCH. DECISIONS FLOWING FROM THIS STUDY ARE EXPECTED IN MARCH AND APRIL.
2. As he is doubtlessly aware from press reports, New Administration regards nuclear proliferation as one of the key global issues. In our approach to this problem, our aim is to evolve policies which reduce proliferation risks, are non-discriminatory, and provide for assured long-term fuel supplies at economical prices to countries that share our non-proliferation objectives, so that Iran, among other countries, can plan their nuclear energy programs with confidence. We have been keenly conscious in our deliberations of the kinds of issues Etemad has raised with us. You may add that we realize the ball is in our court concerning the next round of talks on the bilateral agreement and we will be in touch when our review is completed.

3. You may inform him that Joseph Nye, deputy to Mrs. Benson, under secretary-designate for security assistance, is directing our review in close collaboration with Louis Nosenzio, who has replaced Myron Kratzer in OES. He may be interested to know that Nelson Sievering is continuing in his present position.

4. FYI, we would like you, strictly on personal basis as your own idea, to suggest to Etemad that he might wish to invite both Nye and Nosenzio to Shiraz Symposium. Neither is certain at this time that he could attend, but they agree that Symposium would provide excellent opportunity to discuss with Etemad in broad outline (or in more detailed fashion if review/policy process has moved rapidly) Administration's views. END FYI.

VANCE
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ANNOTES
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