DEPARTMENT OF DEFENSE
JOINT CHIEFS OF STAFF
MESSAGE CENTER

VZCZCMAY161
MULT
ACTION

DISTR
J4(09) J5(02) SAGA(01) SECDEF(07) SECDEF1 ASD/ISA(10)
ASD/NDL(02) ATSDR/09(01) DIA(10) NMIC AFI/XX(02) CNO/OP61(03)
CSA/DAMO(06) FILE

SECRET
56342

TRANSIT/171039Z/161019Z/023:41TOR01011
DE RUGMHR #7863 2291045
ZNY CCCCZ ZOC STATE ZZH
TSTU921
RR RUEHC
DE RUGMHR #7863 2291045
ZNY CCCCZ ZZH
R 171039Z AUG 78
FN AMBASSADY TEHRAN
TO RUEHC/SECSTATE WASHDC 9884
INFO RUFHOL/AMBASSADY BONN 1044
RUEHBC/AMBASSADY CANBERA 117
RUFNP/AMBASSADY PARIS 7122
ST
CONFIDENTIAL
PARIS 07863

E.O. 11652
GDS
TAGS: MNUC PARM TECH ENRG IR
SUBJ: REASSESSMENT OF IRAN'S NUCLEAR ENERGY PLANS?

1. EDITORIAL IN AUGUST 15 "KAYHAN INTERNATIONAL" TITLED "IT'S TIME TO CALL A MORATORIUM ON ALL NEW NEGOTIATIONS IN NUCLEAR SECTOR" IS OUSTBLY AIMED AT AUSTRALIAN URANIUM PURCHASE DEAL BUT CLEARLY IMPLIES CRITICISM OF PENDING U.S. BILATERAL AGREEMENT. EDITORIAL SUGGESTS REVERE AND REPROCESSING CLAUSES AS MOST OBJECTIONABLE.

SAYING THAT THEY "CANNOT SERIOUSLY RESTRICT IRAN'S OPTIONS WITH RESPECT TO THE DEVELOPMENT OF ITS NUCLEAR POWER PROGRAM." EDITORIAL CLAIMS THAT WITH COMMITMENT FROM FRENCH AND GERMAN CONTRACTORS FOR UP TO TEN YEAR FUEL SUPPLY, PAST PURCHASES OF 30,000 TONS OF URANIUM ORE FROM OTHER COUNTRIES, PLUS PROPOSED 15,000 TO 20,000 TONS OF AUSTRALIAN ORE, IRAN MAY FIND ITSELF WITH OVER-SUPPLY. SALE OF SURPLUS ORE, VOLUME OF WHICH MAY BE INCREASED "IF SIZE OF NUCLEAR PROGRAM IS IN FACT REDUCED AS WE HAVE LONG
DEPARTMENT OF DEFENSE
JOINT CHIEFS OF STAFF
MESSAGE CENTER

PAGE 2

CONFIDENTIAL

56342

ADVOCATED" COULD BE BLOCKED BY COMPETITOR SUCH AS AUSTRALIA DUE TO PRIOR CONSENT FOR RETRANSFER ON REPROCESSING, "IRAN HAS NO PLANS FOR SETTING UP DOMESTIC REPROCESSING FACILITIES AT PRESENT, BUT THEN IT SHOULD NOT FORCLOSE ITS OPTION TO REPROCESS ITS FUEL INDEFINITELY EITHER," CALLING FOR NEW NUCLEAR PROGRAM TO BE "DRAWN UP, NEEDS ASSESSED, AND RESPONSIBILITIES CLARIFIED." EDITORIAL URGES THAT "IRAN SHOULD NOT RUSH INTO AN AGREEMENT WHOSE IMPLICATIONS OVER THE NEXT DECADE OR TWO ARE AT BEST UNCLEAR, AND AT WORST UNDESIRABLE."

2. THIS CRITICISM OF TWO SPECIFIC CLAUSES IN THE AUSTRALIAN DRAFT IMPLIES AN UNUSUAL ACCESS OF THE MEDIA TO THE NEGOTIATIONS. FRONT PAGE OF PAPER CARRIES ARTICLE REPORTING AUSTRALIAN URANIUM ORE AGREEMENT AS "RESTRICTIVE NUCLEAR DEAL". ARTICLE IS ALSO CRITICAL OF IRAN'S AMBITIOUS NUCLEAR POWER PLANS, WHICH IT STATES ARE UNDERGOING A REASSESSMENT.

3. WE HAVE HEARD THAT SUCH A REASSESSMENT IS UNDERWAY, BUT HAVE YET TO DETERMINE ITS MANDATE OR COMPLETE COMPOSITION OF REVIEW TEAM. AT THIS POINT IT COULD BE ONLY AN EXPRESSION OF CONCERN BY A SMALL GROUP, SINCE THE OFFICIAL LINE REMAINS FULFILLMENT OF COMMITMENT TO 23000 MWE OF NUCLEAR POWER INSTALLED BY AROUND 1998.

4. IN INVOLVEMENT OF "KAYHAN" JOURNALIST BIJAN MOSSAVER-RAHMANI (PROTECT EMBASSY KNOWLEDGE) IN AUSTRALIAN URANIUM TALKS AS WELL AS NUCLEAR REVIEW STRONGLY SUGGESTS THAT THIS EDITORIAL HAS GOI'S EVEN PM'S BLESSING AND MAY SERVE AS INTRODUCTION TO OFFICIALLY ADMITTED RETHINK OF GOI ENERGY STRATEGY.

NAAS
BT
#7863
ANNOTES
CEV

PAGE 2

CONFIDENTIAL

96110101

NNNN
181019Z