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THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

25 APR 1975

MEMORANDUM FOR THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Nuclear Cooperation Agreement with Iran: NSSM 219 (C)

(S) The proposed study response to NSSM 219 has been reviewed by the Department of Defense. We recognize the importance of the US-Iranian relationship both for energy and national security. At the same time, due to the potential for instability and uncertain political situation in the Middle East, the proposed agreement for nuclear cooperation could have serious national security implications in the future.

(S) We feel the United States policy with respect to the spread of foreign fuel reprocessing capabilities should be to delay the operation of such nuclear fuel reprocessing facilities for as long as possible. In particular, we should avoid arrangements which would result in stockpiling plutonium in sensitive areas of the world, such as the Middle East, until we are assured that bilateral or international control measures are adequate to prevent national or sub-national appropriation of stocks of plutonium for use in explosive devices.

(S) Although it is not discussed in the paper, it is essential that any public affairs discussion or announcement relative to an agreement on nuclear cooperation with Iran be closely attuned to the NPT Review Conference which will be occurring in Geneva at the time of the Shah's scheduled visit to Washington.

(S) The Chairman of the Joint Chiefs of Staff and I recommend that U.S. negotiators be permitted to support Option (3) modified to retain U.S. insistence upon multilateral participation in any Iranian nuclear reprocessing facility. Further, the negotiators should be authorized to state that barring unforeseen developments we would expect to give Iran our specific approval for reprocessing at a time consistent with the Iranian power reactor program's need for fuel reprocessing in the mid-1980s. Option (3) amended would then read as follows: Retain the explicit U.S. right to approve whether and where any future reprocessing activity of U.S. fuel provided Iran could occur. Iran would be informed that, barring unforeseen circumstances we would expect to give Iran our specific approval for reprocessing at a time consistent with the Iranian power reactor program's need for fuel reprocessing in the mid-1980s. Iran would further be asked to agree to treat the multilateral processing facility as if it were a safeguarded facility acquired from the U.S. under our agreement for cooperation. This would help assure that our bilateral safeguards would apply to the plant and its products if IAEA controls under the multilateral arrangement are terminated for any reason. It would also be understood that the actual reprocessing would be contingent on the normal mutual finding that the multinational facility is safeguardable.

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SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED
AT TWO YEAR INTERVALS. DECLASSIFIED ON DEC 31, 1982

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