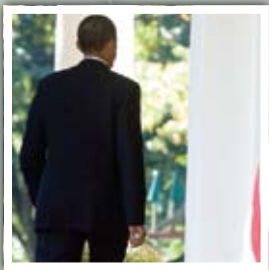




>> Reactor Fuel

The Atomic Energy Organization of Iran said it is capable of producing 20 percent enriched uranium for a Tehran reactor if deals with third parties deals fail. **See Page 2**

Conditional Support



After a surprise decision to award US President Barack Obama the Nobel Peace Prize, Iran's foreign minister said Saturday the designation was "overly premature".

Loan Defaults



Iran's General Inspectorate Organization (GIO) says collectively, Iranian banks have \$38 billion in loan defaults. Mostafa Pourmohammadi complained of the 'excessive' loan defaults.

EU Treaty



Poland approved the European Union reform treaty, ratcheting up the pressure on the Czech Republic as the only nation yet to sign off on the agreement designed to sharpen EU decision-making and increase its influence.

Palestinian Fest



The 2009 edition of Al-Kasabah International Film Festival is set to screen seven feature-length Iranian films in Palestine.

New Fighter Jets Inducted



Iran's domestically-made Saeqeh (Thunderbolt) fighter jets join the Air Force on Saturday. (Photo by FARS)

Five more domestically-made Saeqeh (Thunderbolt) fighter jets joined the Air Force on Saturday.

The new planes were inducted after being tested in a ceremony in Isfahan attended by Commander of the Army Major General Ataollah Salehi, Defense Minister Brigadier Gen. Ahmad Vahidi, Commander of the Army Air Force Gen. Hassan Shah Safi and other senior military commanders, Fars News Agency reported.

Iran displayed the first squadron of Saeqeh jets produced by its defense industry in an air show during military drills during the Sacred Defense Week in mid-September.

The annual occasion marks the commemoration of the 1980-88 Iraqi-imposed war.

Referring to the completion of "a squadron of Saeqeh fighters", Shahsafi told FNA that Iran can increase its power in air defenses and completion the challenging task by the Air Force and Defense Ministry showed their "managerial skills in such an important and sensitive area."

Mass production of Saeqeh means that we have moved beyond the gorges of designing such jets and now seek more high-tech and updated models for the future," he added.

> Building Defenses

Army Commander Major Gen Ataollah Salehi brushed off enemy war rhetoric against the Islamic state and said the enemies cannot carry out their threats because of the country's strong defenses.

"The enemy is aware of our defense power and will never be able to exercise its threats against this country," Fars News Agency quoted Salehi as saying on the sidelines of a ceremony to test the new fighter jets.

Regarding the possibility of any military action against Iran, Salehi said "If they dare to make any foolish move, they will face a strong response by the Islamic combatants that will make them regret their action."

Israel has repeatedly threatened to take out Iran's nuclear facilities through a military strike. Tehran has said its response to any aggression will be unwavering and merciless.

Mitchell Back In Mideast

Middle East envoy George Mitchell met Palestinian Prime Minister Salam Fayyad on Saturday, a Palestinian official said.

No statement was issued after the meeting, which was held at the US Consulate General in Beit-ul-Moqaddas, AFP reported.

Public radio said Mitchell, who is struggling to get Israel and the Palestinians to resume peace talks, should be meeting later Saturday with two advisors to Israeli Prime Minister Benjamin Netanyahu.

And a source close to the Palestinian Authority said he might have another meeting on Sunday with Netanyahu himself.

On Friday, the former US senator had stressed Washington's commitment to a Palestinian state after meeting Israeli and Palestinian leaders, at a time when hopes of a peace breakthrough appear dimmer than ever.

"We discussed our common vision for a viable, independent Palestinian state with contiguous territory," Mitchell told journalists after his talks in the West Bank city of Ramallah with Palestinian Authority Chief Mahmud Abbas.

"President Obama and Secretary of State Clinton are deeply and fully committed to that," he added.

But Mitchell gave no indication any progress was made in the separate talks with Abbas and Netanyahu.

Israel has insisted the world should give up the notion that a comprehensive solution to the decades-old conflict will be found anytime soon. Palestinian officials have said the deadlock was caused by the occupying power's refusal to stop building homes for Israeli settlers in the occupied West Bank.

Total in Fresh Gas Talks

French gas giant Total resumed its talks with the National Iranian Oil Company (NIOC) on participating in Iran's South Pars gas field project.

The talks commenced in Tehran on Saturday after months of delay. According to Mehr News Agency, the French company's representatives announced Total's readiness to construct a Liquefied Natural Gas (LNG) plant in the gas field.

The report did not provide details of the talks. Following long delays from Total, Iran set a deadline for the company to reevaluate negotiations for the venture. When the company failed to respond, Tehran signed a \$4.7 billion deal with China in June.

Total CEO, Christophe de Margerie recently described the talks with Iran as being "at a standstill," but said there was still a possibility for cooperation.

The South Pars gas field is being jointly developed by Iran and Qatar. The Iranian share of the field is about 14 trillion cubic meters of

gas, or about eight percent of the total world reserve, and more than 18 billion barrels of liquefied natural gas resources.

NIOC Head Seyfollah Jashnsaz said that the door is open for the French company to join the project.

He added, however, that Total must first secure the consent of China's CNPC, which became Iran's main overseas partner when Total fell behind on its commitments due to obvious political pressure from Washington.

"Because of Total's procrastination, the contract for the upstream sector was signed with the Chinese and this company is considered to be the operator of this project," Jashnsaz said.

Iran is interested in developing ties with countries throughout the world, but "regarding its petroleum industries, it will not wait for any company," the official said.

Iran has the second largest gas reserves in the world after Russia and the second largest petroleum reserves in the world after Saudi Arabia.

Call for Ending Scientific Discrimination

Culture and Islamic Guidance Minister Mohammad Hussein stressed the need for ending scientific discrimination and ensuring nations' access to advanced technologies.

07

New Method for Calculating Nanotube Describers

Researchers at Mathematics School of Isfahan University of Technology, Iran, devised a method for simultaneously calculating nanotube describers.

08

Turkey, Armenia Eye Peace

U.S. officials on Saturday met Armenian Foreign Minister Edward Nalbandian to help smooth over disagreements over statements to be read at the historic signing of a deal with Turkey to end a century of hostility.

After leaving for the ceremony, US Secretary of State Hillary Clinton returned to a Zurich hotel so that US officials could meet Nalbandian. The Armenian delegation had not left for the venue where the deal was due to be signed at 5 pm (1500 GMT), Reuters reported.

"We're helping facilitate the two sides come to agreement on statements that are going to come out," US State Department spokesman Ian Kelly told reporters. "There's no breakdown."

The deal has faced fierce opposition from nationalists on both sides, and from an Armenian diaspora that insists Turkey acknowledge the killings of up to 1.5 million Armenians by Ottoman forces in World War One as genocide.

A decades-old dispute between Turkey's ally Azerbaijan and Armenia over the disputed enclave of Nagorno-Karabakh had hung over the deal after talks between Azeri and Armenian leaders over the region ended without result on Friday.

The State Department corrected a previous statement in which it said Clinton herself was meeting Nalbandian.

02 >

Dozens Killed in Nigeria Tanker Blast

Between 70 and 80 people were burned alive when a fuel tanker truck exploded in Nigeria, reportedly after a policeman fired a shot to keep passersby away from a road accident, newspapers said on Saturday.

The truck hit a pothole and overturned on Friday on the road between Onitsha and Enugu in the south of the country, spilling its cargo of petrol, witnesses and police told the papers.

Several witnesses said that the truck exploded when a policeman who wanted to distance inquisitive onlookers fired his gun in the air. One witness said that people had been trying to scoop up and recover the spilled petrol, AFP reported.

At least five minibuses packed with up to 18 passengers each and two cars were incinerated by the fireball. A witness said that one of the minibuses was filled with schoolchildren, all of whom were burned alive.

"Immediately the policeman shot into the air, the tanker burst into flames that engulfed other vehicles that were close by and also trapped some of the people that were gathered around the scene who were not fast enough to escape," a witness told The Nation newspaper.

02 >