

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE FORUM SUBJECT: NUCLEAR NON-PROLIFERATION MODERATOR: JOSEPH CIRINCIONE, DIRECTOR CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE, NON-PROLIFERATION PROJECT SPEAKER: MOHAMED ELBARADEI, DIRECTOR, INTERNATIONAL ATOMIC ENERGY AGENCY LOCATION: CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE, WASHINGTON, D.C. TIME: 9:00 A.M. EST DATE: MONDAY, NOVEMBER 7, 2005

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MR. ELBARADEI: Well, Joe, let me first say, it's a pleasure and honor to be here today. And as Jessica mentioned, it's my annual pilgrimage to come here, to listen to you, to hear from you and to tell you where we are, because we are very much partners in this enterprise.

I think you rightly said, as the Nobel Committee mentioned, I see the prize basically to -- as an effort to emphasize the importance of dealing adequately with the number-one security threat we face in the world -- at a time when arms control and nonproliferation is becoming out of fashion. It also, to me, emphasized the -- (inaudible) -- multilaterally. And we are just part of that process.

I don't think any of the problems we are facing today -- whether countries trying to develop nuclear weapons, countries to do more subtle approach by developing fuel cycles, the question of the physical protection of nuclear materials, the desire by terrorists to acquire these materials, the stagnation in nuclear disarmament, which creates an absolutely cynical environment. On all these issues, I don't think we can move an inch forward without putting our heads together, without working together in unity of purpose and clear understanding that we are either going to succeed together or fail together.

MR. CIRINCIONE: Wonderful. You prepared some remarks for today's conference, and you decided that you'd rather sit down and have a conversation here.

MR. ELBARADEI: Right.

MR. CIRINCIONE: We have posted your remarks at the Carnegie Nonproliferation website, which, by the way, is proliferationnews.org -- proliferationnews.org. And we have posted your remarks and everyone's remarks throughout this conference. And we're going to talk for about 15 or 20 minutes up here and then open it up for questions from the audience and from the media.

In your prepared remarks, one of the first points you make is the question of how effective is verification. How effective are your efforts, are your inspections? How reliable are the inspections that you and your inspectors undertake in countries around the world today?

MR. ELBARADEI: Joe, as I said always, the verification is as effective as you're allowed to be. It depends on what kind of mandate we have -- legal authority. It's dependent on the technology we are able to use. It's depending on the compliance mechanism that is backing us. And it depends on information we receive.

In short, the verification today is much better -- 10 times better -- than what we had in pre-1991 Iraq, but it is not where it is supposed to be. We still have 100 countries that have not joined the so-called additional protocol that gives us the authority required to look for undeclared activities. We still live on a shoestring budget -- I think Joe told me it's less than the Redskins' budget.

MR. CIRINCIONE: That's right. Your budget is \$120 million a year. The Redskins' payroll is 117 (million dollars). I don't know what Dan Snyder gets out of that. But you're basically operating on the payroll of the Washington Redskins.

MR. ELBARADEI: Absolutely. And maybe we should switch to -

MR. CIRINCIONE: (Laughs) -- with trademark rights. Yeah, you could make some money. And you have 650 inspectors --

MR. ELBARADEI: Sixty-hundred fifty inspectors.

MR. CIRINCIONE: -- who are in charge of going to 900 facilities --

MR. ELBARADEI: Correct.

MR. CIRINCIONE: -- in 91 countries.

MR. ELBARADEI: Correct.

MR. CIRINCIONE: How do you do it?

MR. ELBARADEI: Well, we try our best. Cross our fingers. But when people malign us and say, we're not effective or not efficient, they look -- they need to look at themselves in the mirror. What sort of authority do we have? You know, what sort of budget do we have? What sort of compliance backing do we get?

In 1992, we reported North Korea to the Security Council. 2005, North Korea tells they have a Security Council -- they have a nuclear weapon. When we reported North Korea to the Security Council in 1992, we haven't heard from them until today.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: But you need to understand that unless there is a serious message by the international community that we are going to back you in case of non-compliance, well, you'll get the nonchalant attitude on the part of the inspected countries, what can you do?

So we tried to do -- as I told Joe Nye at Harvard last week -- we tried to use the soft power, because that's all we have. But even soft power requires that we have the required pressure that would help us to do the work.

Then information -- information is key to verification, Joe. Without knowing where to go, you know, in a big country, you know, I'm lost. And we don't, until today, have a system -- a mechanism -- by which countries provide us in a steady way the information. Who is getting what? Who is denied what? Where all the sensitive technologies are going.

So lots still to be done. We're moving forward, but we still could do much better.

MR. CIRINCIONE: Let's just take a specific example, the one that's in the news and has been in the news for years now -- Iran. You and the inspectors have been in Iran for about two-and-a-half years. Can you tell us a little bit about the kind of cooperation you're getting from Iran? How you feel about your ability to verify the information they're giving you?

MR. ELBARADEI: Well, I think on Iran we're now in a -- there is a sea change in terms of our understanding of where the Iranian program is coming from. You know, we understand the extent, the nature of the program. We know that they have tried to master the entire fuel cycle. We are -- still have a number of outstanding questions we are trying to resolve. We are making progress, not with the extent, the speed I would like to see. But in fairness, we are also getting access beyond the confines of the protocol.

A couple of days ago we went to a military facility, for example --

MR. CIRINCIONE: Yes.

MR. ELBARADEI: This Parchin, which is a good sign. I've been telling the Iranians, the ball is in your court. You have been caught red handed --

MR. CIRINCIONE: Let me just ask you about that.

MR. ELBARADEI: Sure.

MR. CIRINCIONE: This was a site where there's been allegations that there was actual weapons work there.

MR. ELBARADEI: Right.

MR. CIRINCIONE: Now, this goes beyond your mandate.

MR. ELBARADEI: Correct.

MR. CIRINCIONE: Your mandate is to look at nuclear materials, right?

MR. ELBARADEI: Correct.

MR. CIRINCIONE: So now you're going to this site. Are you looking for nuclear materials there? Or have you broadened your own mandate to look at weapons design, fabrication work, any hints of that kind activity?

MR. ELBARADEI: No, our mandate is -- and this is, again, part of the limitation -- our mandate is nuclear-material focused. So if there is a parallel weaponization activities that does not have a nexus to nuclear material, I cannot go and verify that. However, I am going to certain facilities on two bases -- that if you have a testing site, for example, I would

like to make sure that that testing site does not have nuclear material. So I still link it to nuclear material.

But in the case of Iran, for example, I am trying to say, because of your record, give me more than my legal authority. I call it transparency measures, because the more redundancy I do, the more confidence I can build. And they have understood to some extent, that message. I have been getting cooperation by going to facilities that goes beyond the protocol. I'm not saying this is a legal authority, but I'm saying this is transparency measures that will help us to build confidence.

And unless -- I keep telling the Iranian authorities, unless we clarify the past, we cannot regulate the future. And the future is the more important aim we have -- how to integrate Iran with the rest of the international community, with Europe and ultimately with the United States.

MR. CIRINCIONE: Well, let's talk a little bit about that because many of us at Carnegie think that you're not going to solve the Iran problem without addressing the wider issue of the nuclear fuel cycle, that is, what Iran wants to do -- it says -- is allowed under the treaty. It wants to build an enrichment facility.

Now, the problem isn't the nuclear reactors that Iran wants to build. Lots of countries have nuclear reactors. Most of those countries don't buy -- don't make their own fuel. They buy it from the seven or eight countries that sell it. Iran says it wants to enrich its own uranium.

Now, you -- really unprecedented in modern times at the IAEA -- have been aggressively promoting solutions to the so-called fuel cycle problem. Can you tell us a little bit about that?

MR. ELBARADEI: Sure.

MR. CIRINCIONE: And what kind of progress you've made in recent months?

MR. ELBARADEI: Sure. Joe, from where I'm sitting I don't -- I need to look at the big picture. You know, I can be -- you know, pound -- you know, as they call it penny-wise, but pound foolish, you know. I need to see how verification is really helping to curb the proliferation of nuclear weapons. The recent 800-pound gorilla I see, this whole idea of countries developing nuclear fuel cycles. Every country, eventually, will be able to sit on an enrichment factory. Well --

MR. CIRINCIONE: Yes.

MR. ELBARADEI: That means they are a few months away from a nuclear weapon.

MR. CIRINCIONE: Right, because the same facilities that can enrich the fuel --

MR. ELBARADEI: Sure.

MR. CIRINCIONE: Can also be used to enrich material for bombs.

MR. ELBARADEI: Absolutely. And this maybe was okay in 1970, when we thought that technology is still difficult to acquire. Technology is out of the tube.

So what I've been going out preaching, that we need to revisit this whole framework of using nuclear energy for peaceful purpose -- make sure that countries will get all they need in term of reactor technology fuel, but not necessarily having their own, independent enrichment or repossessing capability. I should tell you that I have for the first time that, I think, in 40 years -- this is not a new idea. But it's a new idea that its time has come, that we need to have a better control over the fuel cycle.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: What I am really now advocating is an assurance of supply mechanism. Every country that would like to get the fuel, that would like to get the reactor, will get that, but not necessarily developing their own enrichment facility. An assurance of supply mechanism should be reliable, should be apolitical, should be based simply on nonproliferation criteria.

So whether we like the regime in Iran, whether we like the regime in North Korea or in Ghana, as long as they comply with nonproliferation criteria, they will be able to get that assurance of supply.

MR. CIRINCIONE: How would you do that? What's the mechanism you would use?

MR. ELBARADEI: Well, the mechanism -- it will be the IAEA -- an international community, represented by the IAEA, manning that regime. And we'll have an objective criteria. We'll have a redundance of suppliers --

MR. CIRINCIONE: Right, and this is one of the early ideas.

MR. ELBARADEI: Yes.

MR. CIRINCIONE: In the beginning of the IAEA, there was this idea --

MR. ELBARADEI: Correct.

MR. CIRINCIONE: -- that you could be a fuel bank.

MR. ELBARADEI: Correct. And that's, frankly, what we're trying to do now -- establish either an actual fuel bank or a virtual fuel bank. The reaction I've been getting, frankly, is very encouraging. The U.S. have committed themselves to give us 17 metric tons of HEU to be blended into fuel. Russia said, as of January, once they become president of the G8, they will also give us materials to be available under -- to -- for our use as part of the fuel bank.

MR. CIRINCIONE: When you say, give, do you mean, give?

MR. ELBARADEI: I think that's what I -- I think that's what I understand. I mean, we have to still work out the details. But this is material coming out of weapons, frankly --

MR. CIRINCIONE: Yes.

MR. ELBARADEI: -- from the military (sectors ?).

MR. CIRINCIONE: Yes, that's right.

MR. ELBARADEI: So you know, it's a good way to put it to good use.

MR. CIRINCIONE: Right.

MR. ELBARADEI: Downblend it, use it as part of the fuel bank. The NTI, you know, who came -- Ted Turner and Sam Nunn -- said that they are absolutely ready to give us a very generous amount either of money to buy the fuel or nuclear materials.

So we are, I think, very close -- hopefully -- to be able, within next year, to establish that assurance supply. I say why this assurance supply is very important, because once you have an assurance supply, you are taking away the justification from countries to say, I would like to make my own fuel.

MR. CIRINCIONE: Right.

MR. ELBARADEI: And that's 80 percent resolving the problem. I would like, then, to -- absolutely once we get that assurance of supply, to couple that with a 10-year moratorium for any new enrichment facilities or repossessing facilities, at the very least, for countries -- for newcomers.

MR. CIRINCIONE: So try to convince all the other countries to stop -- to stay in place.

MR. ELBARADEI: Moratorium. Not give up the rights, because no country will give up the rights, but agree on a moratorium.

MR. CIRINCIONE: So Brazil, for example?

MR. ELBARADEI: Well, Brazil, now I think they have their own enrichment facility. But my worry, at least, is to cap the number of countries that have --

MR. CIRINCIONE: How about the U.S.?

MR. ELBARADEI: Well, ideally, I would like to have a cap on any new --

MR. CIRINCIONE: Everybody -- right.

MR. ELBARADEI: -- nuclear facilities.

MR. CIRINCIONE: Okay.

MR. ELBARADEI: But my worry is at least newcomers, the countries who are -- we have now like 12 or 13 countries who have that technology. I don't like to see that extending to 30.

MR. CIRINCIONE: Right.

MR. ELBARADEI: I'd like to cap it, freeze it through a moratorium. And then, the third phase will be to try to see -- give us time. Give us five, 10 years to try to see how we can have a better control of the existing facilities. I advance the idea of a regional approach, multinational approach.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: The Russians are very happy to manage an international center for the spent fuel --

MR. CIRINCIONE: Yes.

MR. ELBARADEI: -- for the reprocessing. Well, that's a good beginning. The most difficult part, which is the fourth part, is how to get the U.S., the Russian of the world, the Chinese of the world to accept a regional center, again, on their enrichment facility.

MR. CIRINCIONE: Correct.

MR. ELBARADEI: But that's very much linked to the cutoff treaty, and that's something I'll come up to discuss when we discuss nuclear disarmament.

MR. CIRINCIONE: Right, so the Fissile Material Cut-Off Treaty under negotiation for what, 10 years now? Try to get that treaty negotiated so that everybody stops making weapons materials.

MR. ELBARADEI: It's an absolutely -- frankly, it's absolutely ridiculous that we're spending 10 years doing kabuki dance.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: You know, should we start the negotiations? Should we not start the negotiations? You know, my take on this -- for God's sake, let us start the negotiation whether it is verifiable, whether it should include the stocks -- this is part of the negotiations.

MR. CIRINCIONE: Great. Let me touch on two more questions. And I know everybody -- there's a lot of people out there that are going to want to get a piece of you.

One of the other things that you worry about a lot is securing the nuclear materials that already exist, securing the nuclear weapons that already exist, whether it's in the former republics of the Soviet Union or the in the research reactors in some 40 countries. Tell us a little bit about that.

MR. ELBARADEI: Well, this is, again, another 800-pound gorilla that came to the fore.

MR. CIRINCIONE: So we've got two 800-pound gorillas. (Inaudible) -- just keeping track.

MR. ELBARADEI: This just came to the fore after 9/11, you know, when we discovered that nuclear material is not simply, you know, there to protect from a safety perspective, but from a security perspective, vis-a-vis extremist groups.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: We know that they are sophisticated. Third, we know that they are interested in requiring the material. So, the logical step, let us lock this material as fast as good as we can. We have done a good work so

far, but if I hear -- you know, we are not directly involved in Russia, but if I hear people like Sam Nunn and others, they saying we have done 50 percent of the job. We still have 50 percent of the job to do.

Well, again, I always say, we're in a race against time. We simply cannot afford any of such material to fall into the wrong hands. Part of that, of course, is that we still have a lot of this material running as part of the civilian fuel cycle -- research reactors, Joe, you mentioned.

MR. CIRINCIONE: Right.

MR. ELBARADEI: We still have 99 research reactors around the world that run on 90 percent or more highly enriched uranium.

MR. CIRINCIONE: Which could be used for weapons.

MR. ELBARADEI: Absolutely. You know, and there is absolutely no reason now -- technical, economic financial -- to run a research reactor on 90 percent fuel. So with -- (inaudible) -- with Russia, with others, we're trying to convert all these research reactors to be run on low-enriched uranium. These are commonsense issues.

MR. CIRINCIONE: Yes.

MR. ELBARADEI: You know, recently I was sitting in a meeting and -- we know the problem; we know the solution. Why aren't we connecting the dots?

MR. CIRINCIONE: Yes.

Well, here's one other dot to connect, and that's the danger from existing nuclear weapons -- the 27,000 nuclear weapons that exist in the world. And you've been very forceful in urging those countries who still have these weapons to pick up the pace to get rid of these weapons. How do you see the progress on disarmament? And what do you see the connection being between that and convincing other countries not to acquire these weapons?

MR. ELBARADEI: Well, I think a very clear connection, Joe. Unless we've created the environment that nuclear weapons are or is an historical accident from which we are trying to extricate ourselves as soon as we can, we will continue to have this cynical environment that all the guys in the minor league, in case they feel insecure, they're trying to join the major leagues, you know. And that's a reality. It has nothing to do with ideology. You know, I would like to emulate the big boys if I have a security problem. And if the big boys continue to rely on nuclear weapons, why shouldn't I?

We still have -- so, the pace of -- you know, that environment is a key that we need to change. And obviously, if you still have 27,000 warheads in existence, you know, 15 years after the end of the Cold War; if you're still operating on a half-an-hour trigger alert between you and Russia; if we still do not have a CTBT, at the very least -- again one of the proposals -- well, let's have a moratorium of 10 years until we get the CTBT into force. You know, nobody is testing now. Nobody I -- I heard things, they are going to test. Why can't we have, again, a word of honor that for the next 10 years we are not going to test?

MR. CIRINCIONE: Right.

MR. ELBARADEI: Same with cutoff. Why can't we have, again, a moratorium on cutoff? If we are not able to move forward with the speed we want on the legal issues, at least there are a lot of practical measures that we can take. I think if we do some of that -- if the weapon states take some of these measures, they will have the moral authority, Joe, to go hard after all those who are the wannabees, because the message would be, this is not the way we go. Nuclear weapons is a state of transition. We want the reverse, as we commit ourselves under the Nonproliferation Treaty, to a world free from nuclear weapons.

So we are not going to allow any more countries to develop nuclear weapons, because that would be the beginning of the end for our survival.

But with all this, we need to continue to work on an alternative system to nuclear deterrence, you know. We talk about nuclear disarmament. I haven't seen really much work, you know, in civil society, in academia, among scientists. What is an alternative system of collective security that is going to replace nuclear deterrence? Lots we can think about it, but there's lots, as I said, we need to do and need to do it fast.

MR. CIRINCIONE: Terrific.

Last question, and this is the tough one. The common view in our country is what the administration is now saying -- telling us about Iraq, that we all got it wrong, that everyone thought there were weapons there, and we were all mistaken.

But you didn't get it wrong. You were there with the inspectors for three and a half months. You told the Security Council in January of 2003 that you could not find evidence of a nuclear weapons program. You said in March of 2003 that the aluminum tubes, the centrifuge motors, the document that said that Iraq was importing uranium from Niger was a forgery. None of the evidence held up, you said. And you had gone to the sites -- the suspect sites -- and found no evidence.

Tell us a little bit about that moment, those inspections, and how you feel now when you hear everyone saying everyone got it wrong.

MR. ELBARADEI: First of all, I'm absolutely relieved that we did not get it wrong. Secondly, you know, I'm not god. And my wife keeps reminding me that I'm not.

MR. CIRINCIONE: Don't tell my wife that, please.

MR. ELBARADEI: I simply was reading the data we were getting. I simply was relying on the expert advice from the people on the ground. And we haven't seen before the war any indication that there was any revival of that weapon program.

I kept saying that. I think we were making progress. I remembered my last statement to the Security Council when I said I needed three more months. And I remember I said, clearly, this would be an investment in peace. But it didn't work that way, but at least my conscience is clear that I did not send any wrong message, you know, that could point to a revival of that weapons program.

MR. CIRINCIONE: Right. Okay, thank you very much.

We're now going to open it up --

(Applause.)

MR. CIRINCIONE: There's a lot of people who want to ask questions, so the rule is, it's got to be a question. It's got to be a question, and it's got to be short.

I'm starting with Paul Leventhal. Could you please give us -- identify yourself and ask your question.

Q Yes, Paul Leventhal with the Nuclear Control Institute.

Dr. ElBaradei, congratulations on you and the agency winning the Nobel Prize. I'm sure many of us hope that it will help enhance your influence and strength in approaching nations that have proven to be a great difficulty for you. And I would like to ask you about one in particular, and that is Iran.

The agency operates under certain constraints, as we know. There is the rule of managed access. There is also the problem of the board not providing the agency authority for any place-any time inspections at this point. In September, I --

MR. CIRINCIONE: (Inaudible) -- get a question, that would be terrific.

Q Yeah, this is the question. The question is that the -- we sent you a letter in September, we in the Iran Policy Committee, presenting you with a spreadsheet, in effect, of all the allegations made by the Iranian opposition -- 22 in total -- of which, according to the Iranian opposition, 15 have remained unresolved, because the agency was not able to get into the facilities.

MR. CIRINCIONE: I'm sorry, Paul, but is there a question there, please?

Q Yeah, I would like to ask you if you could bring us up to date, and give us your assessment of the information being provided by the Iranian opposition and your ability to arrive promptly at the suspected sites, including Lavizan II and determining whether or not the suspected activities are going on.

MR. CIRINCIONE: Thank you.

MR. ELBARADEI: Thank you for all the kind words.

In brief, we are making good progress in Iran. We do receive a lot of information, but we have to verify the authenticity of the information.

As Joe just mentioned about Iraq. I mean there was a lot of misinformation about Iraq, so we cannot just take any information we get for granted.

I should say today we only have one remaining site we would like to visit in Iran. We visited all the sites that we would like to visit in Iran.

So we are making progress. I would hope, as you mentioned, Lavizan, we should be able to go there. But we take all the information very seriously.

But we have first to establish credibility, the authenticity of the information before we move.

So I -- the issues that is remain with regards to the past Iran program is trickling down. There are not many -- there's still some important issues about the extent of the enrichment program. But we are moving in the right direction.

And the earlier Iran would allow us, through transparency measures, to do all what we need, the better, of course, for everybody, including Iran.

MR. CIRINCIONE: Thank you. Next question.

Q Mohammed -- (inaudible), Egyptian television.

Congratulations, Dr. ElBaradei. And, as you know, your authority is confined to those countries that signed the NPT. So my first question is, what could be done with other countries that chose not to sign the NPT?

And the other thing about Iran, is it perceivable in your opinion that the Iranians can cross this line of acquiring nuclear weapons without you -- with your monitoring system now in place being able to know that?

MR. ELBARADEI: Well, we still have -- we still have, of course, the five weapons states that are outside our limit. We still have India, Pakistan and Israel that are not part of our jurisdiction. We still have North Korea that decided to walk out. Hopefully, they'll come back. So we still have nine countries where we are not in charge, if you like.

But we have 180 countries that we are in charge, and as I said, what we need to do is not to increase the number of those who are outside the regime, but to get those who are outside the regime into the regime. We need to get the universality of the regime.

And that is difficult. I mean -- the countries who are outside the regime -- India, Pakistan and Israel -- are very sui generis cases. I don't think they will come to the NPT, my personal view, through the normal route, you know. So we need to find creative ways to get them in.

I think in the case of Israel, they have to come as part of the Middle East nuclear weapon-free zone. I think India-Pakistan are either coming through South Asia, you know, peace agreement or part of that global arms control regime.

However, this is the reality we need to address, that we need to adjust the rules as we go along. We got everybody I think we can get into the NPT through the normal rules. The three outsiders need -- we need to address the security concerns and try to find a creative solution to get them into the system.

Whether Iran will be able to -- or any other country -- develop nuclear weapons without us noticing it, well, we can't give guarantees, but we do not give 100 percent assurance. I've always said that. We are part of a system. The more authority we have, the better assurance we can provide, but in addition to verification we need compliance; we need the technology; we need to understand why countries are tempted to develop nuclear weapons, and we need to act on the causes.

I always ask the question, why am I not worried today about Finland developing nuclear weapons, for example? Because you don't see the security perception there that drives them into that. Why don't we see that in the European Union, for example? We need to understand -- (inaudible) -- that countries are tempted to develop nuclear weapons because -- rightly or wrongly -- because they are driven by a sense of insecurity or projection of power, what have you.

So while we address the symptoms through verification, we need not to forget the causes as why countries are trying to move into certain direction.

MR. CIRINCIONE: Thank you. Next question?

Q Yes, my name is Jorge Hirsch (ph). I am a physicist. I would like to congratulate you on your Nobel Prize.

And my question has to do with the following. As a physicist, I know about nuclear weapons, and I am very concerned about the -- mixing up nuclear weapons with other weapons of mass destruction. And with many other physicists, I have here a petition from 1,000 physicists that have signed a statement. We are very concerned about the United States, and the United States evolution of policy and doctrine that says that they are envisioning to use nuclear weapons against non-nuclear adversaries in situations that -- in a variety of situations that --

MR. CIRINCIONE: If you could get to a question.

Q Yes, my question is the following. It is -- I understand it is the role of the IAEA to verify through inspections that states are in compliance with their commitments under NPT and other treaties. And so the United States is a signatory of the NPT and would you --

MR. CIRINCIONE: The question is?

Q -- would you agree that these policies of the United States are in non-compliance of the United States' commitments? And would you be willing to examine these documents? And if you inspect them and see that that is indeed the case and that it undermines international confidence that the U.S. will abide by this commitments, that you will report the United States --

MR. CIRINCIONE: Got it. Thank you very much.

Q -- to the U.N. Security Council?

MR. CIRINCIONE: Thank you.

MR. ELBARADEI: We don't verify the compliance by the weapon states of their disarmament obligation. I think that's important. We verify compliance by non-nuclear weapon states not to develop nuclear weapons.

However, that's me, ex officio. As a director general, as one of many who's running the nonproliferation arms-control regime, I fully agree with Jessica, who mentioned that we need to -- weapon states need to de-emphasize the role given to nuclear weapons, you know, the strategic role to -- given to nuclear weapons needs to be de-emphasized.

And therefore I was delighted to see, last month I think, that the request for additional resources for R&D, for new weapons, you know, has been dropped. I think this is absolutely, you know, a breath of fresh air for me because, again, I would like, as I said, the message to be, we are not into -- more into nuclear weapons, but we are trying to look for an exit strategy. That's -- that should be the message.

MR. CIRINCIONE: Thank you. Next question.

Q Yes, I'm Tom Clements here representing Greenpeace International.

And I have a question about your call for a moratorium on new enrichment and reprocessing facilities. This call of yours is really being put to a severe test right now by the fact that Japan is in the process of starting up a new reprocessing facility at Rokkasho, one of the most expensive building projects in world history, by the way. Are you prepared to call publicly on Japan not to start up this new reprocessing facility and therefore put Japan in a position of leadership on the nonproliferation front?

What exactly have you been doing to try to get Japan not to start this new reprocessing facility, which really does put your whole call -- global call for a moratorium to a big test.

MR. CIRINCIONE: Thank you.

MR. ELBARADEI: Thank you very much.

Again, I'm not targeting any one country. What I am really saying that I do not see more nuclear fuel cycle facilities operating, particularly in countries that do not have these facilities, because I look at it -- I take it from a nonproliferation perspective. I'm -- you know, I understand, of course, you have the safety perspective, environmental perspective. My greatest worry is nonproliferation perspective -- there are lots of discussion going on right now. I mean, I -- recently, I've been told by the Japanese government that they are looking favorably to some of the ideas about the fuel cycle; they would like to get some additional discussion on it. But the reaction of late has been rather more forthcoming, frankly, than in the past. And people need to take time to understand the issues. They need to see how it would work. It would -- should not impact on the economic competitiveness, economic needs. I understand all that.

But the idea is there. I put it on the table. As I said, the reaction so far has been getting more and more positive reaction. And with your support -- with everybody's, you know, support here -- we would like to move forward to that, because that is a key to reverse the absolutely horrible prospect I see if we continue the way we're continuing today.

MR. CIRINCIONE: Thank you.

Q Bill Potter, Monterey Institute.

Mohammed, let me add my congratulations to your very well-deserved award of the Nobel Peace Prize.

I believe at last year's gathering here and elsewhere you made reference to the dangers of a nuclear Wal-Mart. I think those were -- that was

the phrase that you coined -- to address the problem of non-state actors, and particularly the A.Q. Khan network.

I wondered if you could give us some sense of the satisfaction that the agency has that it has acquired access to all of the relevant information regarding that network? What more needs to be done? Can we have confidence that, in fact, that particular network has been shut down? Or do we still have to worry about weapon designs and commodities being in a pipeline?

MR. ELBARADEI: Bill, I think we've made a good headway in trying to understand that network. And, as you rightly said, I described it as a Wal-Mart, a very sophisticated shopping mart, where more than 30 companies in 30 countries were involved. There was a CEO, you know, A.Q. Khan, who was managing that with great skill.

We managed, I think, so far, to understand a great part of how this operation was running. I think we dried a good part of the supply. Many of those involved are either in prison or under investigation.

I'm not -- there are -- I'm not sure that we have seen entirely 100 percent of full picture. That whether there is any weapons design that have slipped out, you know -- because weapon design as we have understood have been put in a CD-ROM. You know, so -- you know, is there a CD-ROM that went somewhere that we haven't seen, you know.

That gives you an indication of how sophisticated, you know, or how much the technology has disseminated.

But I think I can say that this network is no longer operational today. Is there any other group who is trying to -- again, to copy this network is a challenge. And that's why we continue to work very closely with all the intelligence agencies and all member states to make sure that there is no illicit trafficking of nuclear material equipment.

A resolution 1540 by the Security Council that new conventional nuclear (materials ?) has to be taken seriously by everybody because we need to tighten the screws. And the world has become with globalization -- with all the good things about globalization has also become, you know, quite difficult to man.

And we need to make sure that we are all comparing notes so nobody can slip between the cracks.

MR. CIRINCIONE: How do you know it's not operational now? I mean, doesn't Pakistan need to keep this network alive in part for its own nuclear weapons program?

MR. ELBARADEI: Well, there's a difference between countries -- (inaudible) -- trying to buy, you know, off the black market, Joe, and terrorists trying to acquire the material.

But whether a particular country, Pakistan, would like to continue to procure I do not know. But all I am saying I haven't seen any indication of recent that there is any part of this network operation. Can I vouch on it? No, I can't. And we still have to do all of the work, you know.

MR. CIRINCIONE: Thank you.

Next?

Q Good morning. Aziz Fahmy from MBC, Middle East Broadcasting Center -- (inaudible). First, I want to congratulate you for the Nobel Peace Prize, and I want to congratulate you for getting it right in terms of Iraq, and maybe that's partially why you got the peace prize.

Hans Blix, the second arm of UNMOVIC, said that when the inspector went back to Iraq, they were testing all the allegations or presentation that was made by CIA, and he was saying that inspectors on the ground were finding that those things were not correct.

He concluded in his book that the Bush administration -- (inaudible) -- war before the case for war would collapse. Would you agree with his conclusion?

MR. ELBARADEI: I will wait until I write my own book.

(Laughter and applause.)

MR. CIRINCIONE: Until then, do you agree with his conclusion?

(Laughter.)

MR. ELBARADEI: I would reserve judgment.

MR. CIRINCIONE: That was a great try. Thank you.

(Laughter.)

Q Hi. Sally Horn (ph) from the U.S. Department of State's Bureau of Verification, Compliance and Implementation. I'd like to extend my congratulations also to you and to the IAEA for the Nobel Peace Prize.

My question goes to the issue of the conditions for an assured virtual or actual fuel bank, because you spoke -- when you spoke, you spoke about one of the frustrations about lack of a sufficient authorities for the IAEA. And you also spoke to the issue of the political will of states parties or states to the IAEA in terms of implementing their commitments, both in terms of the NPT and I think in terms of the IAEA safeguard.

I wondered if you might be able to pull out for us a little bit more your thinking about if there were, in fact, an assured fuel supply, what would be the additional commitments that you would expect from states to join that fuel bank? What would be the additional authorities that you think that the IAEA or some international body would need to have to be able to verify that states were indeed complying with the obligations that they had to not develop nuclear fuel cycle and not develop nuclear weapons?

And also, what would you --

MR. CIRINCIONE: That's not enough? (Laughter.)

Q One final part. Because it's one thing to have verification rules, it's another thing to have the ability to enforce those rules.

What would you think we should do, and how do you think we should think about enforcement of compliance in this world where we would have an assured nuclear fuel supply?

Thanks.

MR. CIRINCIONE: While you're composing your six-part answer, let me invite those who are standing in the back -- there's some seats up front -- to come down. This room holds about 720 people. It looks like we're at standing room only at this point, but there's still a few more seats up front, so please join us.

MR. ELBARADEI: The way I see it operating, that countries who are subscribing to safeguard agreement, additional protocol, would be able to get reactor technology, fuel technology. They will not be able to do enrichment or reprocessing.

Ideally, that they will get the fuel and probably the fuel will be taken back to a multinational center to -- for reprocessing. So the nonproliferation -- the proliferation dimension of it will be taken away. So you would use the nuclear material for generating electricity or for research or what have you, but they will not have the access to that kind of material -- the highly enriched uranium or plutonium that can go directly into a weapon.

We will have a redundancy of number of supplier. We'll either have a virtual bank or an actual bank in a number of locations. To be -- we will guarantee that if a country is in compliance -- and again, compliance mean that we make sure that they are not diverting any material anywhere. If that were to happen, they will continue to get their supply, and they will continue to be bound by the moratorium.

Mind you, I said they are not going to give up the right and therefore, the (assurance of ?) supply need not be a hundred percent guarantee because if it doesn't work, a country can say, well, I'm not getting my supply, then I'm out. Then I can have my own independent fuel cycle.

So it is a practical proposition. I think it's a doable proposition. I think it would help us a lot to move away or reverse the course of action we were seeing in the last few years.

MR. CIRINCIONE: Thank you very much.

RICHARD GARWIN: Richard Garwin, National Academy Committee on International Security and Arms Control. Thanks very much for the frank and competent replies.

At the back end of the fuel cycle, is the IAEA ready to certify repositories for spent fuel -- mined geologic repositories -- and waste forums, either spent fuel itself or vitrified fission product packages, to go into those repositories to enable different countries to offer such repository services?

MR. ELBARADEI: Yes, we are, Professor Garwin. I think we would be ready to do that. I mean, the good news, as I said, that Russia is ready to man such a multinational repository. Frankly, the way I see it that we need all to help Russia, you know, doing this by providing the technology, by providing the certification, by providing the safety assets should they need it.

We need to establish first-class, you know, center of excellence for managing the spent fuel and find a repository of the waste. So, we would be happy to do that in working with Russia.

If we -- the problem with waste, as I see it right now, is that we don't have yet a single operating facility. We need to see one. Ideally, that facility would be multinationally operated to deal not only with safety, but also with security and nonproliferation.

MR. CIRINCIONE: Dr. Garwin, before you leave the microphone, could you -- what do you think? Does this seem feasible to you? I know you --

MR. GARWIN: Oh, I think this is an excellent innovation for the assured fuel cycle, both in multilateral and international supply of fuel and a guarantee of the place to dispose of fuel to eliminate the very uneconomical reprocessing by individual states or national repositories instead of an economic and secure global repository system. Thank you.

MR. CIRINCIONE: Thank you. Next?

Q I'm Damon Moglen with the Union of Concerned Scientists. I want to ask a kind of a follow-on question to the one that was asked earlier about the Japanese plans to open the controversial reprocessing plant at Rokkasho.

Earlier this year, my organization issued a letter at the Nonproliferation Treaty Review Conference with a few dozen leading policymakers in the United States, including a couple of former defense secretaries, who called on the Japanese government and industry to suspend their plans to Rokkasho for proliferation reasons, not on environmental or public health grounds, which are also quite serious, but on proliferation grounds -- that with a large surplus, Japan has a difficult argument to make to open such a plant.

I'm wondering really what -- for many of us, this seems to be a very high-priority issue and I'd like to turn the question over, in a sense. If Japan opens this reprocessing plant, what would happen if we were in a situation where other countries who in the past have indicated an interest -- South Korea or Taiwan, for example? Don't you feel that this indicates to other countries that, in fact, opening reprocessing plants is on some level being acceptable despite your very important suggestion about an end to reprocessing?

A reprocessing chain reaction? What do you think?

MR. ELBARADEI: I don't think so. I mean, again, I don't really want to speak to a specific facility, but this is one reprocessing facility among many that exist in the world. And I would like to see any solution that is not just targeting one country, you know.

I'd like to see -- you know -- many of the solutions we provide are not workable because they are not perceived to be fair or equitable or inclusive, you know. And if we deal with Rokkasho, we need to deal with Rokkasho along with other reprocessing facilities and take a situation, which every country says feels at the end of the day they are getting a fair shake.

MR. CIRINCIONE: Now, you've talked to the Japanese about this. You've had discussions with them?

MR. ELBARADEI: I didn't have much discussion on whether they're going to open Rokkasho or not. I mean, we haven't really -- I haven't --

MR. CIRINCIONE: Yeah, well -- I have.

MR. ELBARADEI: You probably did, Joe.

MR. CIRINCIONE: Yeah. They are determined to do it. And when I went to the facility, and they -- and, as Tom Clement said, it's a \$20 billion facility. There's a lot of --

MR. ELBARADEI: They spend a lot of money on --

MR. CIRINCIONE: Capital and political. But you think the only way to deal with it is not to confront the Japanese head on, but try to make it part of a global --

MR. ELBARADEI: As part -- as part of a global. I think so. I think that's the way we need to deal with either any reprocessing facility or any enrichment facility.

MR. CIRINCIONE: Yeah.

MR. ELBARADEI: In fact -- in fact, the way, again -- if I come to Iran, I mean. Iran, you know -- Natanz enrichment program --

MR. CIRINCIONE: Yes.

MR. ELBARADEI: -- has to be dealt with as part of a new framework. You cannot just target one country and say you cannot do it, but everybody else would. That will not work.

But you can say, we -- you should not have it because that's not the way we want to proceed.

Me, as -- (inaudible) -- that's much more sellable, frankly, Joe.

MR. CIRINCIONE: Yes. Thank you. Next?

Q Mark Harrish (ph) from the Air Force Fellows Program.

Your recent article, Graham Allison proposed using either nuclear forensics or effectively nuclear fingerprinting to try to discourage the transfer of nuclear materials to non-state actors.

Do you consider this idea to be either technically or politically feasible to, in effect, ask states to register their fissile material?

MR. ELBARADEI: We have lots of fingerprints of many material around the world so I -- my -- just -- (inaudible). Yes, it is doable. How, in fact, can we do it everywhere? That's a question I need to check with my colleagues.

But we have a lot of fingerprint of many materials so for us at the IAEA we know sometimes through, you know -- through reading the fingerprints where this material is coming from.

So it's an idea which I think it doable, but I need to verify that.

MR. CIRINCIONE: So the idea would be if there was a terrorist incident, we could trace the materials back --

MR. ELBARADEI: Yeah. Where the material is coming from. Exactly, exactly. And by just having a specimen from each material -- fingerprints.

MR. CIRINCIONE: All right. Thank you.

Q Thank you. Maria -- (inaudible) -- South Asian Strategic Stability Unit.

My question is how do you think the assurances of supply would work in the presence of the following elements?

There's a growing sense in the non-nuclear weapon states that their rights are being undermined under the NPT treaty. The IAEA, as you just stated, in certain cases goes beyond its legal authority in order for the states to comply.

And last but not least, the question how good is the word of the IAEA as we can see in Iraq's case, where you said clearly that the issue was that they did not have sufficient evidence, that assurances of supply would work if there are other countries which believe that the countries to whom you are about to give material might not be meeting all the obligations which they should be?

MR. CIRINCIONE: Did you get that?

MR. ELBARADEI: No -- (inaudible) -- the last part.

MR. CIRINCIONE: Give it to me in a data burst.

Q I think the main question is how do you think assurances of supply is going to work when there is a credibility gap in which the non-nuclear weapon states believe that their rights are being undermined?

MR. ELBARADEI: Well, I don't -- I don't think the whole idea is not to undermine the rights of every -- anybody. And that's what I said. I am not asking any country to give up any rights.

All I'm saying that you guys are not going to be better off by every one of you developing their own latent capability to develop a nuclear weapon. And I will give you all what you need in term of power reactor for economic and social development. Do not give your rights. You keep your rights, you know, but you simply exercise self-restraint. And that, as I said, this is part of a package.

The second step would be also those who have their own enrichment and reprocessing facilities to work together for a system that we will multinationalize -- regionalize these centers.

So at the end of the day, it's an equitable system. No single country will have the right to enrich uranium or reprocess plutonium on their own.

So that's the first step, but it's first step that could take us a long way forward.

MR. CIRINCIONE: Thank you. We're running out of time. We have about five minutes, and we recognize a few more people at the mikes. Keep your questions short, please.

Q Sure. Miles Pomper from Arms Control Today. Congratulations again on your award.

You talked a little bit about the three countries that are outside the NPT and how you might involve them in the nonproliferation regime. The Bush administration claims to have done that recently with India by concluding a nuclear cooperation agreement with India that they'd like to see Congress and the Nuclear Suppliers Group act on.

You, surprisingly to many people, seem to endorse that agreement, given that it went back on a history of dealing with India and its status outside the NPT.

So first of all, I'd like you to explain why you were supportive of the agreement. And also perhaps you could talk about what kind of safeguards or what other means might be used to make this a better agreement as the details go forward.

MR. ELBARADEI: On India, I think I would like to recall that when I came here in 2002, I made a plea that India, Pakistan and Israel should be treated as partner as not as a pariah. So I was three years ahead of the Bush administration on this issue.

I tell you why I'm supportive of the India, because, as I just mentioned, India, Pakistan and Israel, in my view, are not going to come to the NPT through the normal route. This is a reality.

When we develop a policy vis-a-vis India or Pakistan or Israel, it has to be comprehensive policy. I do not -- India, for example, with the U.S. have the closest policy cooperation in all areas of activities except in the peaceful application of nuclear technology.

When I judged that agreement, I judge it, does it enhance safety? And the answer is yes because India is going to build so many reactors, and I'd like to make sure that they will get the highest level of advanced technology.

Is India going to open up to the agents in the international community for safety oversight? Yes, they would.

Is India going to help in becoming part or associate itself with a supplier group and help us to make sure that no new countries are going to acquire nuclear weapons? Yes, the answer is yes.

Is India going to separate its fuel cycle between the military and the civilian and accept IAEA safeguards on their civilian reactors, which is a good beginning to our universalization of safeguards? Yes, it is. So I see -- I take an absolutely practical, pragmatic approach. I don't see that in any way as giving India a new status as a weapon state or a non-nuclear weapon state.

For me, India, Pakistan and Israel are weapon states. At least two of them have declared to be weapon states. And I said that a couple of years ago. I, you know, the idea that they are de jure or de facto to me is totally irrelevant.

If there is a war -- nuclear war -- between India and Pakistan, we are not going to say this is not a nuclear war because we do not recognize them as.

(Laughter.)

I mean -- I need to see concrete measure how to bring these guys on board. India is one-sixth of the world -- one billion people. I'd like to make sure that they are partners in the area of safety, security and nonproliferation. And I think that agreement, properly managed, would take us some way through it.

Q Just to follow up on the --

MR. CIRINCIONE: I'm afraid we've got to be able to get one more question then we're going to end.

Q Alexei Arbotov, Russian Academy of Sciences, Carnegie Moscow Center.

How would you deal with the problem created by the precedent of North Korea -- a country acquiring materials, technology and expertise under the NPT, then withdrawing and going for nuclear weapons?

MR. ELBARADEI: Well, you need to do -- I mean, North Korea is a perfect example of how we should not manage the nonproliferation regime.

When North Korea joined the NPT in '85 and only signed safeguard agreement in '92. So they had seven years, you know, being part of NPT without an inspection.

We reported North Korea to the Security Council in 1992, and as I said, nothing has happened. And when I talk about Security Council engagement, it doesn't have to be a sanction or what have you, but just actual engagement, trying to understand what needs to be done.

And I think Joe mentioned at the very beginning that when you talk with nuclear program, whether in Korea or in Iran, you are really dealing with the tip of the iceberg. You need to address a package of measures -- you know, security, economic, humanitarian. At the end of the day, you need to make the country feel secure enough that they do not feel the temptation or the drive to develop nuclear weapons.

So there's a lot of lessons one can learn from North Korea, and I think the more we look at it, the more we see that a, we need to take compliance seriously that b, we need to understand not symptoms -- not deal only with the symptoms, but also the causes, and c, we need to send a message to the Korean of the world that, you know, nuclear weapons are not going to help you because this is not the way we want to protect ourselves in the future.

MR. CIRINCIONE: That's terrific. I'm afraid we're out of time now. Let me ask you one last question. When do you pick up your prize?

(Laughter.)

MR. ELBARADEI: I pick up my prize on the 10th of December, and I'm supposedly going to be in Oslo and Stockholm for five days of festivities and lots of lectures.

MR. CIRINCIONE: Great. Well, that's just terrific. We've posted your prepared remarks on the conference website at proliferationnews.org. We are being filmed today by a number of cameras, including C-SPAN2. So this encounter will be enjoyed by hundreds of thousands around the world.

Please join me in thanking the director general and the winner of the 2005 Nobel Peace Prize.

Thank you.

(Applause.)

END.