

Board of Governors

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Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1835 (2008) in the Islamic Republic of Iran

Report by the Director General

1. On 15 September 2008, the Director General reported to the Board of Governors on the implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions 1737 (2006), 1747 (2007) and 1803 (2008) in the Islamic Republic of Iran (Iran) (GOV/2008/38). On 27 September 2008, the Security Council adopted resolution 1835 (2008) on the same matter. This report covers relevant developments since September 2008.

A. Current Enrichment Related Activities

2. Since the Director General's previous report, Iran has continued to feed UF₆ into the 3000-machine IR-1 unit (Unit A24), and five cascades of Unit A26, at the Fuel Enrichment Plant (FEP).¹ Installation and testing of the 13 remaining cascades of Unit A26 is continuing. Preparatory installation work at Units A25, A27 and A28 continues. As of 7 November 2008, the total amount of UF₆ fed into the cascades since the beginning of operations in February 2007 was 9750 kg, and based on the operator's daily accounting records, Iran had produced approximately 630 kg of low enriched UF₆. All nuclear material at FEP, as well as all installed cascades, remain under Agency containment and surveillance.

3. On 29 September 2008, the Agency conducted a physical inventory verification (PIV) at the Pilot Fuel Enrichment Plant (PFEP), the results of which are still pending. Between 25 August and

¹For more detail on the configuration of FEP, see GOV/2008/38, para. 2.

28 October 2008, Iran fed a total of approximately 31 kg of UF₆ into the 10-machine IR-2 cascade and the single IR-1, IR-2 and IR-3 centrifuges. All nuclear material at PFEP, as well as the cascade area, remains under Agency containment and surveillance.

4. To date, the results of the environmental samples taken at FEP and PFEP², and the operating records for FEP³, indicate that the plants have been operating as declared (i.e. less than 5.0% U-235 enrichment). Since March 2007, twenty unannounced inspections have been conducted at FEP.

5. On 26 October 2008, Iran provided updated Design Information Questionnaires (DIQs) for FEP and PFEP. Iran informed the Agency that it plans to commence the installation of IR-1 centrifuges at Unit A28 at FEP at the beginning of 2009.

B. Reprocessing Activities

6. The Agency has continued to monitor the use and construction of hot cells at the Tehran Research Reactor (TRR) and the Molybdenum, Iodine and Xenon Radioisotope Production (MIX) Facility through inspections and design information verification (DIV). There have been no indications of ongoing reprocessing related activities at those facilities. While Iran has stated that there have been no reprocessing related research and development (R&D) activities in Iran, the Agency can confirm this only with respect to these two facilities as the measures of the Additional Protocol are not available.

C. Heavy Water Reactor Related Projects

7. On 13 August 2008, the Agency conducted a PIV at the Fuel Manufacturing Plant (FMP), the results of which are consistent with the declaration made by Iran. On 18 October 2008, the Agency conducted an inspection; no major changes in the construction status of FMP have been noted since the Agency's visit to FMP in May 2008.

8. Using satellite imagery, the Agency has continued to monitor the status of the Heavy Water Production Plant, which appears to be in operational condition.

9. Invoking its decision in March 2007 to "suspend" the implementation of the modified text of Code 3.1 of the Subsidiary Arrangements General Part concerning the early provision of design information (GOV/2007/22, paras 12–14), Iran continues to object to the Agency's carrying out of DIVs at the Iran Nuclear Research Reactor (IR-40). The Agency has reiterated that Code 3.1 concerns the submission of design information, not the frequency or timing of verification by the Agency of such information, and that the Agency's right to carry out DIV is a continuing right. Notwithstanding, the Agency was not permitted to carry out the DIV scheduled for 26 October 2008.⁴ As a result, the

² Results are available for samples taken up to 1 July 2008 for FEP and up to 20 April 2008 for PFEP. These results have shown particles of low enriched uranium (with up to 4.0% U-235), natural uranium and depleted uranium (down to 0.4% U-235 enrichment).

³ Which show enrichment levels at FEP of up to 4.9% U-235.

⁴ The Agency last visited the IR-40 on 28 August 2008.

Agency's information on the status of the construction of the reactor is also limited to that available through satellite imagery. From a review of such imagery, the Agency can confirm that construction of the reactor is continuing.

D. Other Implementation Issues

D.1. Uranium Conversion

10. As of 3 November 2008, approximately 33 tonnes of uranium in the form of UF₆ had been produced at the Uranium Conversion Facility (UCF) since 8 March 2008, the date of the last PIV carried out by the Agency at UCF. This brings the total amount of uranium in the form of UF₆ produced at UCF since March 2004 to 348 tonnes, all of which remains under Agency containment and surveillance. The UCF was shut down in August 2008 for a routine maintenance and restarted operation in October 2008.

D.2. Design Information

11. As previously reported to the Board of Governors (GOV/2007/22, paras 12–14), on 30 March 2007, the Agency requested Iran to reconsider its decision to suspend the implementation of the modified text of its Subsidiary Arrangements General Part, Code 3.1. There has been no progress on this issue. On 16 October 2008, the Agency reiterated its request that Iran reconsider its decision on the issue.

12. The Agency requested in December 2007, but has not yet received, preliminary design information for the nuclear power plant that is to be built in Darkhovin (GOV/2008/38, para. 11).

D.3. Other Matters

13. On 2 April 2008, the Agency requested Iran to provide, as a transparency measure, access to additional locations related, inter alia, to the manufacturing of centrifuges, R&D on uranium enrichment, and uranium mining and milling (GOV/2008/15, para. 13). Iran has not yet agreed to the Agency's request.

14. The fuel assemblies imported from the Russian Federation for use at the Bushehr Nuclear Power Plant have remained under Agency seal (GOV/2008/38, para. 13). A PIV is planned in December 2008.

E. Possible Military Dimensions

15. There remain a number of outstanding issues, identified in the Director General's last report to the Board (GOV/2008/38, para. 14), which give rise to concerns and need to be clarified to exclude the existence of possible military dimensions to Iran's nuclear programme. As indicated in the Director General's report, for the Agency to be able to address these concerns and make progress in its efforts to provide assurance about the absence of undeclared nuclear material and activities in Iran, it is essential that Iran, inter alia, provide the information and access necessary to: resolve questions related to the alleged studies; provide more information on the circumstances of the acquisition of the uranium metal document; clarify procurement and R&D activities of military related institutes and

companies that could be nuclear related; and clarify the production of nuclear equipment and components by companies belonging to defence industries.

16. Since the Director General's last report, the Agency has continued to assess the information previously provided to it, both by Iran (including INFCIRC/737 and 739) and by Member States, in respect of these issues. The Agency believes that Iran could, as a matter of transparency, assist the Agency in its assessment of these issues by providing it with access to documents, information and personnel to demonstrate, as Iran asserts, that these activities were not nuclear related. Unfortunately, Iran has not offered any cooperation with the Agency since that report and has not yet provided the requested information, or access to the requested documentation, locations or individuals.

17. As indicated in the Director General's previous report, the Agency currently has no information — apart from the uranium metal document — on the actual design or manufacture by Iran of nuclear material components of a nuclear weapon or of certain other key components, such as initiators, or on related nuclear physics studies (GOV/2008/38, para. 21). Nor has the Agency detected the actual use of nuclear material in connection with the alleged studies.

F. Summary

18. The Agency has been able to continue to verify the non-diversion of declared nuclear material in Iran. Iran has provided the Agency with access to declared nuclear material and has provided the required nuclear material accounting reports in connection with declared nuclear material and activities. However, Iran has not implemented the modified text of its Subsidiary Arrangements General Part, Code 3.1 on the early provision of design information. Nor has Iran implemented the Additional Protocol, which is essential for the Agency to provide credible assurance about the absence of undeclared nuclear material and activities.

19. Regrettably, as a result of the lack of cooperation by Iran in connection with the alleged studies and other associated key remaining issues of serious concern, the Agency has not been able to make substantive progress on these issues. For the Agency to make progress, an important first step, in connection with the alleged studies, is for Iran to clarify the extent to which information contained in the relevant documentation is factually correct and where, in its view, such information may have been modified or relates to non-nuclear purposes. Iran needs to provide the Agency with substantive information to support its statements and provide access to relevant documentation and individuals in this regard. Unless Iran provides such transparency, and implements the Additional Protocol, the Agency will not be able to provide credible assurance about the absence of undeclared nuclear material and activities in Iran.

20. Contrary to the decisions of the Security Council, Iran has not suspended its enrichment related activities, having continued the operation of PFEP and FEP and the installation of new cascades and the operation of new generation centrifuges for test purposes. Iran has not provided access to the IR-40, and, therefore, the Agency is not able to verify the current status of its construction.

21. The Director General continues to urge Iran to implement all measures required to build confidence in the exclusively peaceful nature of its nuclear programme at the earliest possible date.

22. The Director General will continue to report as appropriate.