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**IMPLEMENTATION OF THE
AGREEMENT BETWEEN THE AGENCY AND THE DEMOCRATIC PEOPLE'S
REPUBLIC OF KOREA FOR THE APPLICATION OF SAFEGUARDS
IN CONNECTION WITH
THE TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS**

Report by the Director General

In accordance with the request in operative paragraph 3 of the resolution contained in document GOV/2692 adopted by the Board of Governors on 23 September 1993, the attached report is being transmitted to the General Conference.

An Addendum to this present conference document, containing the summary record of the Board's discussion at its last session, will be issued shortly.

**REPORT BY THE DIRECTOR GENERAL
ON THE IMPLEMENTATION OF THE AGREEMENT BETWEEN
THE GOVERNMENT OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA
AND THE INTERNATIONAL ATOMIC ENERGY AGENCY
FOR THE APPLICATION OF SAFEGUARDS IN CONNECTION WITH THE TREATY
ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS (INFCIRC/403)**

GENERAL BACKGROUND

1. The Agreement between the Democratic People's Republic of Korea (DPRK) and the International Atomic Energy Agency (IAEA) for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons (INFCIRC/403) entered into force on 10 April 1992.
2. Pursuant to Article 62 of the Agreement, the DPRK submitted on 4 May 1992 an Initial Report on nuclear material subject to safeguards under the Agreement. Pursuant to Article 71(a), ad hoc inspections were begun in May 1992 to verify the correctness of the information contained in the Initial Report and to assess its completeness.
3. On the basis of verification activities carried out over a period of many months, and taking into account the consultations held with the DPRK both in Vienna and Pyongyang, the Secretariat concluded that, because of the significant inconsistencies between the DPRK's declarations and the Secretariat's findings, the Secretariat was not able to confirm the correctness and completeness of the DPRK's Initial Report on the inventory of nuclear material in the DPRK.
4. Pursuant to Articles 73(b) and 77 of the Safeguards Agreement, the Director General, on 9 February 1993, requested that the DPRK provide access to specific additional information and to two locations where the Agency had reason to believe there exists nuclear waste which may be of safeguards relevance. In response to that request, the Government of the DPRK agreed to continue discussions about inconsistencies and data relevance, but declined to grant the Agency access to the additional sites.
5. The Director General reported the matter to the Board of Governors, which by two resolutions adopted on 25 February 1993 (GOV/2636) and on 18 March 1993 (GOV/2639), inter alia, called upon the Government of the DPRK urgently to extend full co-operation to the IAEA to enable the Agency fully to discharge its responsibilities under the Safeguards Agreement and to respond positively and without delay to the Director General's request of 9 February 1993 for access to additional information and two additional sites. The Board of Governors decided that access to the additional information and sites was essential and urgent in order to resolve differences and to ensure verification of compliance with INFCIRC/403. The Board also requested the Director General to continue dialogue with the DPRK with a view toward urgent resolution of the issues.

6. On 12 March 1993 the Agency received a statement by the Government of the DPRK declaring its decision to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) as a measure to defend its supreme interests.

7. On 30 March 1993 the Director General reported to the Board of Governors on the implementation of the Safeguards Agreement between the DPRK and the Agency. On 1 April 1993 the Board adopted a further resolution (GOV/2645) which, inter alia, found the DPRK in non-compliance with its obligations under its Safeguards Agreement with the Agency and decided, as required by Article XII.C. of the Statute and in accordance with Article 19 of the Agreement, to report the DPRK's non-compliance and the Agency's inability to verify non-diversion of nuclear material required to be safeguarded, to all Members of the Agency and to the Security Council and General Assembly of the United Nations. Furthermore the Board requested the Director General "to continue his efforts and dialogue to implement fully the Agreement and to keep the Board informed of any significant developments."

EFFORTS OF THE DIRECTOR GENERAL FOR THE IMPLEMENTATION OF THE SAFEGUARDS AGREEMENT WITH THE DPRK AND CONSULTATIONS WITH THE DPRK

8. In a telex to the DPRK Minister of Atomic Energy, Minister Choi, on 1 April 1993, the Director General forwarded the Board's resolution of 1 April 1993 (GOV/2645) to the DPRK. He indicated the Secretariat's readiness "to send an inspection team at an early date" to the DPRK and its willingness "at all times to resume consultation and dialogue with a view to the full implementation of the Safeguards Agreement." He also acknowledged the receipt of a telex dated 30 March 1993 from the Minister of Atomic Energy of the DPRK, in which the Minister expressed "the readiness of the DPRK to consult with the Agency's Secretariat on the implementation of the Safeguards Agreement."

9. In a statement issued on 5 April 1993 (reproduced as GOV/INF/690), the Foreign Ministry of the DPRK, inter alia, underlined that the DPRK has "never rejected ad hoc inspection under the agreement" and stated the DPRK's stand "to fulfil our (DPRK's) obligations under the Safeguards Agreement to the end and solve the problems arising in this by means of negotiation." Similarly, in a statement issued on 8 April 1993 (reproduced as GOV/INF/691), the Minister of Atomic Energy of the DPRK confirmed, inter alia, that "we (DPRK), proceeding from the stand of discharging our obligations under the Safeguards Agreement for three months, proposed on March 30, in explicit terms, negotiations with the IAEA."

10. In a meeting with the Resident Representative of the DPRK to the IAEA held in Vienna on 8 April, the Director General reiterated the Secretariat's readiness to send an inspection team to the DPRK to continue implementation of the Safeguards Agreement, and to resume consultations and dialogue. Furthermore, the DPRK was requested to reconsider its position regarding special inspections and was advised that the Agency was prepared to consider arrangements designed to protect any military aspects of the two sites specified in the Director General's request to the DPRK of 9 February 1993 so as to take account of the DPRK's security concerns.

11. In the absence of a response from the DPRK the Director General sent a telex to Minister Choi on 16 April 1993 seeking clarification by the DPRK as to whether it was ready to receive an inspection team, conduct consultations, or both. The Director General also indicated that certain safeguards equipment presently installed in facilities in the DPRK was in need of maintenance and replacement.

12. The DPRK Minister for Atomic Energy telexed his reply on 22 April 1993, confirming his rejection of the demand for special inspection and urging the Agency "once more to conduct the consultation on the implementation of the Safeguards Agreement." He also stated that the DPRK has never rejected visits for maintenance and replacement of safeguards equipment.

13. On the same day the Agency replied, reaffirming the IAEA's request for special inspection and stating that the Secretariat would welcome "consultation in Vienna with a consultation team from the DPRK." In order not to lose the continued validity of safeguards information and without prejudice to the consultation on the broad issue of safeguards implementation, the Director General suggested that the DPRK accept an Agency inspection team which would perform urgent activities relating to the maintenance and replacement of safeguards equipment and observe the refuelling of the 5 MW(e) experimental reactor that, based on previous understanding, was expected to begin during the last week of April.

14. On 28 April 1993 the Agency received a telex from the Minister of Atomic Energy of the DPRK which reiterated that the DPRK's rejection of the Agency's request for special inspection remained unchanged and that the DPRK would send a consultation team to Vienna. The DPRK agreed to accept an Agency inspection team for the maintenance and replacement of safeguards equipment but noted that "some problems including refuelling will be discussed during the forthcoming consultation." The Director General replied on the same day that the Agency was ready to receive a team for consultation in Vienna, asked about its composition, and transmitted a list of the proposed IAEA inspection team to the DPRK.

15. In a 1 May 1993 telex to the Agency, the Minister for Atomic Energy of the DPRK stated that a draft resolution being circulated in the Security Council regarding the DPRK's nuclear issue would be a "great obstacle" to consultations between the IAEA and the DPRK. He also stated that "the refuelling at the 5 MW(e) experimental NPP is still at the stage of technical and practical preparation for it and therefore the refuelling will not take place soon." The Secretariat responded on the same day, confirming the Agency's willingness to accept a DPRK consultation team at any time and requesting that an inspection team proceed to the DPRK to perform the necessary maintenance work.

16. On 4 May 1993 Minister Choi telexed the Agency, accepting the proposed inspection team and reiterating his country's concern about the draft resolution circulating in the Security Council "at the time when we (DPRK) are going to send our consultation team to Vienna."

17. The 7th IAEA inspection team visited the DPRK between 10 and 14 May 1993, during which time it performed the necessary work relating to containment, surveillance and maintenance activities at the 5 MW(e) reactor and at the Radiochemical Laboratory.

18. On 11 May 1993 the United Nations Security Council adopted a resolution (Resolution 825(1993)) which, inter alia, called upon the DPRK "to comply with its Safeguards Agreement with the IAEA as specified by the IAEA Board of Governor's resolution of 25 February 1993." The Security Council requested the Director General of the IAEA "to continue to consult with the DPRK with a view to resolving the issues which are the subject of the Board of Governors' findings and to report to the Security Council on his efforts in due time." It also urged all Member States to encourage the DPRK to respond positively to that resolution and encouraged them to facilitate a solution.

19. On 13 May 1993, the Director General sent a telex to Minister Choi reaffirming the Agency's readiness to receive a DPRK consultation team, asking about the composition of such a team and when it could be expected to arrive in Vienna.

20. On 17 May 1993 Minister Choi telexed the Director General expressing his regret that the Security Council resolution of 11 May had been adopted and that the resolution was an "interference in the DPRK's internal affairs and a grave encroachment on our (DPRK) national sovereignty." He further stated that the resolution was an obstacle to IAEA-DPRK consultations and that "good results can not be obtained even if the consultation will take place." He urged the Director General to "remove the obstacle" and "create a good atmosphere" for the consultation which should take place at "an early date."

21. In a further effort to try to set concrete dates for the consultations, the Director General requested meetings with the Resident Representative of the DPRK to the IAEA in Vienna. In the course of two such meetings, held on 24 May and 7 June 1993, respectively, the DPRK Ambassador stated that his country's position remained unchanged in relation to the request for special inspection and that the Agency should create a "favourable climate" for consultations. The Director General said that the Agency had been - and remained - ready to receive a DPRK delegation for consultations at any time.

22. On 11 June 1993, during the scheduled meeting of the Board of Governors, the Director General informed the Board of his efforts to implement the Safeguards Agreement with the DPRK and noted that "the Secretariat is naturally ready, at any time, to resume consultation with the DPRK with a view to resolving the outstanding issues and to continue safeguards."

23. The Board of Governors took note of the Director General's report and, inter alia, expressed its satisfaction with the efforts he had made to bring about a resumption of dialogue as well as full co-operation between the DPRK and the Agency in relation to the Safeguards Agreement. The Board further requested the Director General to intensify his efforts and to hold consultations with the DPRK as soon as possible with a view to ensuring the continued application of safeguards in the DPRK and to keep the Board informed of all significant new developments relating to contacts and consultations with the DPRK.

24. On 11 June 1993, the Director General sent a telex to Minister Choi, referring to the Board's request and asked for an indication of whether the DPRK is "now in a position to send a consultation team to Vienna" and, if so, what would be the composition of the team and the expected date of arrival.

25. In a further telex, sent to Minister Choi on 16 June 1993, the Director General noted the DPRK's decision of 11 June "unilaterally to suspend, as long as it considers it necessary, the effectuation of its withdrawal" from the NPT and concluded that, pursuant to Article 26 of the Safeguards Agreement between the IAEA and the DPRK, "the Safeguards Agreement continues to apply." He restated the Secretariat's willingness to resume consultations with the DPRK at any time and again inquired as to the composition and arrival dates of a consultation team.

26. On 25 June 1993 the Deputy Director General for Safeguards informed the Government of the DPRK of the Agency's intention to send, in accordance with the Safeguards Agreement, an inspection team to perform routine and ad hoc inspections at the DPRK's nuclear facilities. The Agency also confirmed its readiness to resume technical discussions with the objective of improving the Agency's understanding of the DPRK nuclear material inventory.

27. In reply to the Agency's telex of 16 June 1993, Minister Choi, in a telex dated 26 June, stated, inter alia, that it was the IAEA Secretariat which "made the Board to adopt the unjust resolution of 'special inspection' and to transfer our (DPRK) 'nuclear issue' to the UN Security Council, having ignored our (DPRK) proposals on consultations."

28. In reply to the Agency's telex of 25 June 1993, the Ministry of Atomic Energy of the DPRK, on 3 July, reiterated the content of Minister Choi's telex from 26 June and stated that "the Agency's containment and surveillance equipments installed at our (DPRK) nuclear facilities remain intact."

29. In a 12 July 1993 telex to Minister Choi, the Director General drew attention to the fact that "the Safeguards Agreement remains operative and the Agency has an obligation under the agreement to perform routine and ad hoc inspections", that these tasks of the Agency "cannot be delegated" and that "it would be unfortunate if, by default, the safeguards-related data which have been obtained through our (IAEA-DPRK) past co-operation should lose their validity." The Director General reconfirmed the Agency's readiness "to host a consultation meeting without delay."

30. On 30 July 1993 the Agency notified the DPRK of the schedule for the conduct of routine and ad hoc inspections in the DPRK at seven facilities from 3 August to 14 August 1993.

31. Although the Agency continued to emphasize to the DPRK Permanent Mission in Vienna the need to perform all the required routine and ad hoc inspections in accordance with the Safeguards Agreement, the DPRK Mission advised the Agency on 2 August 1993 that the DPRK was ready to accept the IAEA team only to replace tapes and power supply batteries for the safeguards surveillance equipment.

32. Following a series of communications with the DPRK, problems deriving from the delayed issuance by the DPRK of visas for Agency inspectors were resolved and a team of Agency inspectors arrived in the DPRK on 3 August 1993. Having received a report from the inspectors, the Secretariat sent a telex to the Ministry of Atomic Energy of the DPRK on 5 August 1993 indicating that "there may be some

misunderstanding of the scope of this inspection which resulted in some restrictions of the inspection activities so far." The Agency made it clear that the scope of that inspection "encompasses all the containment and surveillance measures and should not be restricted only to MIVS, so as to maintain continuity of knowledge of certain safeguards-related information" and requested the DPRK to "reconsider the issue and permit the inspectors to complete their specified inspection activities."

33. The Agency inspectors left the DPRK on 10 August 1993, having been permitted only to carry out part of the required inspection activities. In a telex sent to the Agency on 6 August 1993, the Ministry of Atomic Agency of the DPRK, (referring to consultations between the Agency and the Permanent Mission of the DPRK in Vienna held 2 August 1993 and to the Agency's telex of 5 August 1993) stated that "we (DPRK) provided the full conditions for performing by the inspectors the inspection activities necessary to maintain continuity of safeguards-related information" and that "the other matters you (the IAEA) mentioned should be discussed at the forthcoming consultation meetings."

34. On 17 August 1993, Minister Choi telexed the Director General to inform him, inter alia, that the joint DPRK-USA talks held in mid-July in Geneva "discussed the partiality of the IAEA as the major subject for possible DPRK-IAEA consultation and other subject therefor." Minister Choi stated that in "the spirit of such discussion...we are prepared for the consultation with the IAEA delegation in Pyongyang."

35. In a telex to Minister Choi dated 19 August 1993, the Director General stated that he was "prepared to send a consultation team to Pyongyang," that in his view "the consultations should cover outstanding safeguards and other issues" and that the Agency team "would be prepared to discuss such complaints as the DPRK side might wish to raise and would wish, itself, to discuss pending issues including, inter alia, the scope and results of the latest IAEA inspections." In his response on 24 August 1993 Minister Choi stated that "the consultation would cover mainly the Agency's injustice and other relevant matters thereof."

36. An Agency team headed by the Deputy Director General for Safeguards held consultations with the DPRK authorities in Pyongyang during the period 1 to 3 September 1993. Although the consultations provided an opportunity for the IAEA and the DPRK to exchange views on the application of safeguards by the Agency in the DPRK, it did not result in any progress in resolving any of the outstanding issues. The DPRK delegation reiterated its views concerning the "misconduct and partiality" of the Agency in applying safeguards in the DPRK. In that connection the statement was made that "only when we (DPRK) are fully convinced that the Agency has seriously and sincerely redressed its unjust actions, we (DPRK) would be prepared to hold constructive consultation with the Agency on other issues related to the safeguards for the DPRK's nuclear activities." The DPRK team added that "it would be most regrettable, if the DPRK delegation would not be in a position to fulfill its Treaty-related obligations simply because of the Agency's unamended misconduct and behaviour."

37. The Agency team provided detailed explanations of the Board and the Secretariat role under the Statute in general and in relation to the Safeguards Agreement with the DPRK in particular. It also responded to complaints raised by the DPRK in the context of the implementation of the Safeguards

Agreement and assured the DPRK that the Agency consistently endeavours to implement safeguards in the DPRK and elsewhere with objectivity and impartiality, and that this will continue to be its policy.

38. Furthermore the Agency team emphasized that the Pyongyang consultations should, in addition to discussing issues relating to the impartial application of safeguards, also focus on outstanding safeguards issues. In this context the team, *inter alia*, brought to the attention of the DPRK team the following:

- (a) An Agency inspection team must perform routine and ad hoc inspections in the DPRK before 28 September 1993 to verify the location and quantity of nuclear material in the DPRK in a timely manner in order for the Agency to meet its inspection goals.
- (b) As part of the routine implementation of safeguards the Agency must be present when the refuelling operation at the 5MW(e) reactor will take place.
- (c) The Agency needs access to additional information and locations as called for by the Board's resolution of 25 February 1993 (GOV/2636) in order to clarify inconsistencies that the Agency has found between the DPRK declaration and explanations on the one hand and the Agency's analysis on the other.

39. The DPRK team declined to discuss any of the above points. They continued to state their "principled position" that "the Agency should frankly admit its injustice and partiality and make a political decision to redress them" and that "the Agency should "admit and apologize for touching off the unfair special inspection controversy, against the procedures for clarifying inconsistencies, and on the basis of false information from the third country." It also demanded that "the Agency should immediately rescind all the resolutions with respect to special inspection and non-compliance" and "should call to account those responsible staff members for the injustice."

40. Upon the return of the Agency team to Vienna the Director General sent, on 8 September 1993, a telex to Minister Choi in which he stated: "It is regrettable that no progress has been achieved on any of the outstanding issues. For its part, the Agency remains ready to continue the consultations, preferably in advance of the coming meeting of the Board of Governors. It renews its invitation to receive a DPRK consultation team in Vienna. The Agency would also be prepared to have a separate scientific and technical discussion in Vienna or Pyongyang on outstanding inconsistencies."

41. In a separate communication on 8 September 1993, the Secretariat notified the DPRK about its schedule for routine and ad hoc inspections in the DPRK from 25 September to 9 October 1993, giving details of inspection activities planned. The Secretariat has made clear that the performance of all the activities listed for this inspection is essential and of particular importance in view of the restrictions imposed during recent inspections.

42. On 13 September 1993 Minister Choi sent a telex to the Director General in which he made "clear once again that continuing the consultations is our (DPRK) constant position" and that "we (DPRK) are ready to conduct the next round of consultations in Pyongyang as the continuing of the consultation which was held early in September." He added that, in his view, "the inspection problem and other issues, too, would be resolved automatically, if the Agency's injustice would be resolved." Minister Choi also said that "we (DPRK) are prepared to consider positively the same Agency's inspection activities as the inspection activities conducted early in [August] 1993, for maintaining continuity of safeguards information."

43. The Director General sent a telex to Minister Choi on 14 September 1993 noting the willingness of the DPRK authorities to consider positively an Agency request to conduct further inspection activities of the kind carried out in August "for maintaining continuity of safeguards information". He pointed out, however, that although the missions which the Agency had sent to the DPRK in May and in August had helped to maintain some continuity of safeguards information, this had been in only two of the DPRK's declared nuclear facilities. The Director General added that, in any case, "the activities which Agency inspectors were enabled to carry out then fell considerably short of the requirements of the Safeguards Agreement." The Director General also referred to the Agency telex of 8 September 1993 (see paragraph 41 above) which specified in detail "the routine and ad hoc inspection activities, which we (IAEA) need to carry out between 25 September and 9 October if the Agency is to meet those requirements, thereby ensuring, inter alia, continuity of safeguards over the DPRK's declared nuclear activities." The telex also expressed the Agency's hope that "the second round of consultations will make progress" stating that "in our view, the time has come, in particular, for constructive discussion on how to resolve outstanding inconsistencies." The Director General also explained that, as consultations had taken place in Pyongyang from 1 to 3 September 1993, the next round should be held in Vienna, in keeping with normal diplomatic practice. He asked when the DPRK would be able to send a consultation team to Vienna and for details about the composition of the team.

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At the time of preparing this report, the Agency was awaiting a response from the DPRK to the Director General's telex of 14 September to Minister Choi.

Key points to emerge from the foregoing are as follows:

- The inconsistencies between the DPRK's Initial Report on its nuclear material subject to safeguards and the Agency's findings remain and consequently the Agency cannot verify the correctness and assess the completeness of the Initial Report of the DPRK. No access has been obtained to additional information or locations which might help to resolve these inconsistencies.

- In addition to the need to resolve the inconsistencies, the Agency also now needs to carry out all the routine and ad hoc inspection activities specified in its telex of 8 September 1993 to the DPRK if it is to meet the requirements of the Safeguards Agreement, thereby, inter alia, ensuring continuity of safeguards over the DPRK's declared nuclear activities.

- Since the Director General's report of 30 March 1993 to the Board of Governors (GOV/2643), the Agency has not been enabled to conduct the normal regular routine and ad hoc inspections which are essential if it is to meet the requirements of the Safeguards Agreement. The seventh and eighth inspections were limited to containment, surveillance and maintenance activities at the 5MW(e) reactor and at the Radiochemical Laboratory.

- The Agency was informed in May 1993 that the refuelling of the 5MW(e) reactor had been postponed. The Agency has reiterated to the DPRK that it considers it essential for the Agency to be present during the refuelling.

