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International Atomic Energy Agency

**GENERAL CONFERENCE**GENERAL Distr.  
Original: ENGLISHForty-third regular session  
Item 21 of the provisional agenda  
(GC(43)/1)**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 to the General Conference**

1. In resolution GC(42)/RES/2 of 25 September 1998, the General Conference, inter alia, decided to include in the agenda for its forty-third regular session an item entitled:

“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.”

This report is to provide information to the General Conference in its consideration of this item of its agenda.

**THE SITUATION PREVAILING AT THE TIME OF THE FORTY-SECOND  
REGULAR SESSION OF THE GENERAL CONFERENCE**

2. The Director General’s report to the General Conference in 1998, in document GC(42)/16 of 26 August 1998, recorded continuing lack of progress on a number of important issues which have remained outstanding since the Agency started to implement monitoring of the freeze on the DPRK’s graphite moderated reactors and related facilities in November 1994. Such issues include the preservation of information required for verifying the accuracy and completeness of the DPRK’s initial declaration under its Safeguards Agreement (INFCIRC/403); its refusal to accept certain safeguards measures at its reprocessing plant; and limitations imposed by the DPRK on inspector access to technical support buildings subject to the freeze. The Director General’s report also noted the conclusion in the Safeguards

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Implementation Report (SIR) for 1997 with regard to the DPRK and explained the situation with regard to the canning of spent fuel rods at the Experimental Power Reactor, including the intention to reduce the continuous presence of Agency inspectors from three to two inspectors when the canning operation had been completed. The overall conclusion in the Director General's report was that co-operation from the DPRK side remained limited and continued to be linked to the DPRK's perception of progress in implementing the Agreed Framework between the DPRK and the United States.

3. In the light of the lack of progress on important issues and of the Director General's report in document GC(42)/16, the General Conference adopted resolution GC(42)/RES/2 which, inter alia, expressed concern over the continuing non-compliance of the DPRK with its Safeguards Agreement; called upon the DPRK to comply with the Agreement and urged the DPRK to take all steps that the Agency may deem necessary to preserve all information relevant to verifying the accuracy and completeness of the DPRK's initial report.

#### **DEVELOPMENTS SINCE THE FORTY-SECOND REGULAR SESSION OF THE GENERAL CONFERENCE**

4. Since last year's General Conference, the Agency has continued to monitor the freeze. However, to date there have been no new developments to change the assessments given to the Board by the Director General in November 1998, March 1999 and June 1999. Co-operation from the DPRK side remains limited. Technical discussions have enabled some day-to-day problems to be resolved, for example, the first part of the integrated monitoring system on the mixer-settler motors at the reprocessing plant has been installed to monitor any operation of the mixer-settlers. However, the DPRK still needs to provide the required inspector access to certain technical buildings at the 5 MW(e) Experimental Power Reactor so that the Agency can verify the scope of operations there. Additionally, the DPRK still refuses to accept other measures at the reprocessing plant, such as the sealing of parts of processes; the installation of the Agency monitoring equipment for liquid nuclear wastes; or any sampling or measurement at any location to ensure that there have been no operations at the plant. The DPRK also continues to refuse to enable the Agency to take measurements for assessing the total amount of plutonium in the spent fuel rods of the 5 MW(e) Experimental Power Reactor and to decline sampling of graphite blocks for the 50 MW(e) reactor which could confirm whether the graphite presented is of nuclear grade and hence a key component of the reactor subject to the freeze.

5. Two more rounds of technical discussions with the DPRK have taken place since last year's General Conference: on 5-8 October 1998 in Vienna and on 10-12 March 1999 in Pyongyang. In September 1995 the IAEA gave the DPRK its requirements for the preservation of information required by the IAEA to verify the correctness and completeness of the initial DPRK declaration. At the eleventh round of discussions in October 1998, the DPRK tabled a revised version of its own list, giving titles, the time periods covered and brief descriptions of the contents of documents which, in the DPRK view, should be preserved with regard to the facilities subject and not subject to the freeze. However, the DPRK paper did not include any proposals with regard to methods of preservation and does not include preservation of information other than records.

6. Referring to these and related developments at the meeting of the Board of Governors on 25 November 1998, the Director General noted that, since 1995, there had been no positive results either to Agency efforts to obtain access to the information which it deems necessary to preserve to enable it to verify in the future, the accuracy and completeness of the DPRK's initial declaration, or to reach agreement on methods for preserving such information intact. The Director General made clear that, unless such information is preserved in a verifiable manner, it will be difficult, if not impossible, for the Agency to verify the DPRK's compliance with its Safeguards Agreement. The General Conference will recall that verification of compliance is necessary under the Agreed Framework before any key nuclear components of the light water reactors foreseen in that document can be delivered.

7. At the twelfth round of technical talks in March 1999, discussions continued about the records which are part of the information to be preserved in connection with verifying the initial declaration. The Agency study of the DPRK paper of October 1998 and IAEA-DPRK working group discussions had confirmed that, from the Agency's point of view, the list does not include all the documents which need to be preserved in respect of facilities subject and not subject to the freeze.

8. During the visit to Nyongbyon on 11 March 1999, the Agency also concluded that, in view of the fact that the canning operation and remaining related activities at the 5 MW(e) Experimental Power Reactor are nearing completion, the number of Agency inspectors continuously present in Nyongbyon could be reduced from three to two. No tangible progress was made with regard to long outstanding and important issues. The DPRK continues to link progress to the implementation of the Agreed Framework.

9. At the meeting of the Board of Governors on 7 June 1999, the Director General reported that there had been no positive developments since the March 1999 Board Meeting. He also noted that the Safeguards Implementation Report (SIR) for 1998 records, inter alia, the Secretariat's continuing inability to verify the DPRK's initial inventory declaration, and hence to draw conclusions about the non-diversion of nuclear material, and that the DPRK remains in non-compliance with its Safeguards Agreement.

10. The fundamental difference of view between the Agency and the DPRK about the status of the DPRK's Safeguards Agreement remains unchanged. The Agency regards the Safeguards Agreement as binding and in force. The DPRK does not accept all the measures required under the Safeguards Agreement but in practice it accepts ad hoc and routine inspections at facilities not subject to the freeze without major difficulties.

11. At a time when the canning operation at the 5 MW(e) Experimental Power Reactor is nearing completion, and as the time envisaged under the Agreed Framework for the delivery of key nuclear components of the LWR project draws nearer, the Secretariat will be focusing on the preparatory work required for verification of the correctness and completeness of DPRK's initial declaration. From its past experience of such verification activities, the Secretariat assesses that this process will take some time. It will require full cooperation on the part of the DPRK. The Director General hopes the DPRK will come into full compliance with its Safeguards Agreement as early as possible.