

Information Circular

INFCIRC/657 Date: 15 September 2005

**General Distribution** Original: English

## Communication dated 12 September 2005 from the Permanent Mission of the Islamic Republic of Iran to the Agency

1. The Secretariat has received a Note Verbale dated 12 September 2005 from the Permanent Mission of the Islamic Republic of Iran, attaching a document entitled "Iranian Nuclear Policy and Activities – Complementary Information to the Report of the Director General (GOV/2005/67)".

2. As requested in the Note Verbale, the Note and its attachment are herewith circulated as an Information Circular.

Permanent Mission of the Islamic Republic of Iran to the United Nations and other International Organizations in Vienna

جهوری اسلامی ایران نایند کی دانم نزددفتر مل ستحدوسازمانهای مین المللی وین

IN THE NAME OF GOD

Verbal Note No. 350-1-17/ 1219

The Permanent Mission of the Islamic Republic of Iran to the United Nations and other International Organisations in Vienna presents its compliments to the Secretariat of the IAEA and has the honour to enclose "complimentary information to the Report of the Director General (Gov/2005/67".

The Permanent Mission of the Islamic Republic requests the Secretariat to circulate this Note with its attachments as an official INFCIRC document and make it available to the public through the IAEA website.

The Permanent Mission of the Islamic Republic of Iran to the United Nations and other International Organisations in Vienna avails itself of this opportunity to renew to the secretariat of the IAEA the assurances of its highest consideration.

To The International Atomic Energy Agency Secretariat



In the Name of God The Compassionate, the Merciful

# Iranian Nuclear Policy & Activities Complementary Information To the Report of The Director General (GOV/2005/67)

## **Table of contents**

1- Introduction	Page 3
2- Short Review of Iran's Past, Present and Future Nucl Policy & Programs	lear Page 4
3- Part 2: Short review of developments prior and after political nuclear dispute	Iranian Page 8
4- Part 3: Comments on DG report (GOV/2005/67)	Page 22
5- Conclusion	Page 28
6- Annex 1: Table of abbreviations	Page 29
7- Annex 2: Statements of Non-Aligned Movements	Page 31
8- Annex 3: Statements on Plutonium	Page 51
9- Annex 4: Iran Statements at the Board of Gov.	Page 53
10- Annex 5: References	Page 129

#### **INTRODUCTION**

Reviewing the technical and legal aspects it could easily be concluded that the international community has been, to a great extent misled with bias, politicized and exaggerated information on Iranian nuclear programs and activities.

Iranian nuclear issues which should have been dealt in a purely technical manner within the framework of the IAEA, has been politicized. In order to divert the attention of international community from the: immediate and serious security concerns as the result violation of article VI of the NPT; existence of the huge number of the nuclear warheads; recent development in manufacturing new types of nuclear weapons by two Nuclear Weapon States and the last but not the least the potential nuclear threat by Israel; being the only non-party to the NPT in the strategic region of Middle East.

While appreciating the tremendous constructive work by the IAEA, and sincere attempts by Director General, Dr. El Baradei, in resolving the issues, Iran has however serious concerns about the misunderstandings, confusions, misperceptions and the underestimation of great progress so far made by a few members of the Board of Governors trying to remove the purely technical issue from the framework of the Agency. They are trying to underestimate the authority of the Agency by asking the instructions from other international body .This undoubtedly is in contravention of the IAEA statute which considers the IAEA an independent pertinent body in the area of nuclear energy and its authority is already inherited in the Statute. Any attempt in this respect is endangering the multilateralism.

This document is prepared with the aim of removing possible ambiguities on the Iranian nuclear activities, using the facts reflected in the various IAEA documents, inspection reports, particularly the Director General's reports to the Board of Governors, list of which are attached.

## **PART ONE**

# Short Review of Iran's Past, Present and Future Nuclear Policy & Programs

Iranian Nuclear activities started by the establishment of the Atomic Center of the Tehran University and the construction of 5MW research reactor, with 93% enriched fuel, by an American company called AMF which started its operation in 1968. It has to be noted that two other identical reactors were also constructed by Americans in Pakistan and Turkey almost simultaneously.

The Atomic Energy Organization of Iran (AEOI) was established in 1974. The AEOI was mandated to plan for and work on the complete fuel cycle including the production of 23000MW electricity by nuclear power plants .The AEOI took over the Atomic Center including its 5 MW research reactor. The center was then called the Nuclear Research Center (NRC). Iran concluded an extendible ten year nuclear fuel contract with US in 1974, with Germany in 1976, and with France in 1977. Western countries were competing with each other in bids on nuclear fuel cycle, including enrichment, with Iran.

It has to be recalled that in1975, Iran purchased a 10% share in a Eurodif uranium enrichment plant being built at Tricastin in France that was part of enrichment technology Eurodif developed, and agreed to buy a quota of enriched uranium from the new plant. Shah also gave one billion dollars as financial aid to the said company but Iran has not received even a gram of uranium from the plant where it desperately needed for its reactor producing radioisotopes for mainly medical purposes.

The question of justification of choosing nuclear energy as an option for Iran which had natural gas and oil resources was never raised.

Considering the facts that since 30 years ago the population of Iran is doubled, the price of oil has drastically increased, vast application of byproducts of oil which are produced in petrochemical industry and finally the IAEA reports on technical and financial justification of nuclear energy in contributing to national energy supply (*Power System Expansion Planning by WASP*), there is no doubt that a double standard with purely political intention is imposed on the Islamic Republic of Iran.

Iranian parliament has approved the production 20000MWe from nuclear energy by the year 2020.The future planning is based on the fact and figures such as:

- The average increase in electricity demand 8.37 p.a. in the past two decades;
- over 91% electricity generation was based on fossil fuel during past two decades;
- Merits in processing of fossil fuel instead of burning it in electric plants (Petrochemicals, ...);
- Probable further increase in prices of fossil fuel in the coming decades;
- Advantage of nuclear energy regarding the environmental impact (Pollution, Greenhouse Effect).

Bearing in mind the past bitter of experience of lack of legally binding assurance of supply and the huge investment on indigenous nuclear fuel cycle, the achievement in this field during 25 years of deprivation and sanction, Iran has to continue its activities on nuclear fuel cycle under the IAEA Comprehensive Safeguards.

#### Non-proliferation policy after victory of Islamic Revolution in Iran:

NPT entered into force in Iran in 1974. It was followed by the comprehensive Agreement (INFCIRC/214 based on the model Safeguards agreement INFCIRC/153). After the victory of the Islamic Revolution in 1979, the late Supreme Leader and the Founder of Islamic Revolution deplored the nuclear weapons in different occasions in his public addresses. If Iran had the intention to work for nuclear weapons, it should have withdrawn from NPT then. The justified time for withdrawal was immediately after the victory of the revolution, since an overall critical review of all multilateral or bilateral agreements and treaties concluded during last regime, was logical and digestible for the international community. Iran decided to sustain its membership and compliance with NPT safeguards and the IAEA Statute. During the last 26 years the Islamic Republic of Iran has spared no effort in cooperating with the Agency as far as its commitments under the NPT is concerned. Iran is the only Member State which voluntarily invited, in late 80s, the IAEA safeguards inspectors, headed by the DDG, to visit all sites and facilities at their discretion, even those locations not declarable under the Safeguards Agreement. In addition Iran is implementing the Additional Protocol since December 2003, as if it has been ratified.

#### The impacts of international developments on Iranian nuclear policies:

The international developments, particularly the following ones, have had serious impacts on Iran's nuclear policy, planning and activities:

• The UN General Assembly adopted a resolution in 1980 to convene the United Nations Conference on the Promotion of International Co-operation in peaceful uses of Nuclear Energy (UNPICPUNE). The conference was mandated to identify constraints and propose ways and means for the promotion of international co-operation in this area... It has to be recalled that the said UN conference was considered so vital for the developing countries that a special preparatory conference of the Non-Aligned Movement (NAM) was held in Havana, Cuba in 1983. After almost a decade of preparation and negotiation, finally the conference was held in Geneva in 1987, but as the result of creation of obstacles by some industrial countries,

particularly by western Nuclear Weapon States, it failed to adopt any conclusion.

- Similar event occurred in the IAEA, where it's Committee on Assurances of Supply expected to establish internationally recognized principles and legally binding instruments to assure sustainable nuclear supply failed in 1987 after 7 years of intensive deliberations.
- Technical Co-operation (TC) activities of the Agency which is an important statutory function and has direct relation to developing countries, is funded by the voluntary contributions while the Safeguards activities are funded through regular budget of the IAEA. During the last three decades the developing countries have called for rectifying the situation and establishing an assured and predictable mechanism for the IAEA Technical Co-operation. This legitimate expectation has not yet been fulfilled due to objections of few developed Member States including some Nuclear Weapon States. Their intention is that the Agency be merely a **watchdog institution** where its statutory promotional function be gradually diminished. In a number of occasions the donors have threatened to halt or decrease voluntary contributions on bilateral political grounds.
- US was obliged under the contract made prior to 1979 to supply new fuel for Tehran 5 MW Research Reactor, being under the Agency comprehensive Safeguards, producing radioisotope for application in medicine, agriculture and industry. It neither gave the fuel nor the two million dollars received for. Iran had projects with the IAEA on radioisotope production using this reactor. None of the international organizations including the IAEA took any step in redressing the situation and forcing the US to fulfill its contractual and legal obligations which had impeded the peaceful application of nuclear energy.

Considering the aforementioned developments which proves the assertion of the lack of implementation of promotional pillars of Statute of the IAEA as well as provisions of the Article 4 of NPT along with continuous sanctions by certain countries, the Islamic Republic of Iran had no choice other than to depend on its own resources and manpower in order to exercise its inalienable rights to use nuclear energy for peaceful purposes.

### PART TWO

## Short review of developments prior and after Iranian political nuclear dispute:

Dr. ElBaradei, the Director General paid his first visit to Iran in the year 2000 where he was thoroughly informed about the intention of AEOI in undertaking certain activities in the field of nuclear fuel cycle technology and construction of their facilities such as the Uranium Conversion Facility (UCF). Although Iran then had not yet adhered to the newly modified Subsidiary Arrangement, nevertheless it had willingly submitted the DIQ of Uranium Conversion Facility in Esfahan and other activities on nuclear Fuel Cycle. The Agency received the DIQ of UCF in 2000 that is almost 4 years before Iran was obliged to inform the IAEA under its comprehensive Safeguards Agreement (INFCIRC/214). Therefore the notion of the revelation of undeclared activities such as UCF or concealment is absolutely incorrect.

The Director General was again invited to Iran in 2003 where he visited uranium centrifuge enrichment pilot plant (PFEP) at Natanz on 21<sup>st</sup> February 2003. In his meeting with Iranian president, he congratulated the scientific achievement. He suggested to Iran to concur with the modified Subsidiary Arrangement and to sign the Additional Protocol. The President gave affirmative response regarding the Subsidiary Arrangement and invited the Agency's experts to explore various technical, legal and security dimensions of the Additional Protocol in order to pave the way for decision making process.

There was no doubt for the Director General that the establishment of uranium enrichment facility is not in contravention of the Safeguards obligations and Iran was not obliged to submit the Design Information Questionnaire (DIQ) of the Enrichment Facility in Natanz prior to the visit since according to the comprehensive Safeguards Agreement (INFCIRC/214), Iran has to submit the DIQ only 180 days prior to the introduction of nuclear material to the facility.

At meeting of the Board of Governors in March 2003, after DG visit to Iran, the governor of Greece in his statement on behalf of the EU, took note of the important development that the Iranian authorities had agreed to amend the Subsidiary Arrangements of the country's Safeguards Agreement, committing it to providing early design information on relevant facilities (that is Iran was not legally obliged to do so before). At the same meeting, the UK governor said "while the amendment

of Iran's Subsidiary Arrangements following the Director General's visit was welcomed, if they had been amended earlier, Iran would have been required to provide early notification of the enrichment facility". Therefore Iran had no legal obligation to notify the IAEA about the enrichment facility at Natanz earlier. In fact the Agency became fully aware much sooner than Iran was obliged to report in accordance with its comprehensive agreement, since the Pilot Fuel Enrichment Plant (PFEP) was not fully operational then and even now after about two years is still not operational.

Iran permitted the Agency's inspectors to take environmental samples from the PFEP after DG visited. The results of the analysis indicated the presence of low and high enriched uranium (LEU & HEU) particles. The results created an ambiguity since the PFEP did not have the capability for such enrichment .Therefore Iran decided to share with the IAEA, the highly confidential information regarding the deal on centrifuge components with foreign intermediaries, responsible for delivering used and contaminated items instead the expected brand new ones. Iran declared that the sources of such LEU & HEU are outside of Iran.

The information on sample analysis results which required further time consuming technical analysis became an issue to be dealt with in diplomatic circles at Agency headquarter and the Board of Governors. Such delicate confidential information was immediately released to the media. Therefore a purely technical issue at its preliminary analytical stage was used as fuel for political confrontation by a certain country trying to create a dispute in order to justify removal of the issue from the framework of the IAEA, the sole pertinent international organization. In other words, it was determined to impose its unilateral policy though had in other occasions been universally condemned

The following examples will prove that the exaggeration and continuous allegations such as the 18- year concealment of nuclear activities such as uranium conversion are baseless

1- According to the comprehensive safeguards, the uranium ore concentrate known as yellow cake is not subject to any safeguards procedures other than the notification of imports and exports referred to in paragraph 34(a) and (b) of the Safeguards Agreement. Iran had imported 530 tons of this material and informed the Agency. Although such materials are pre Safeguarded, but this material has been fully verified by the Agency in 1998. The DIQ of the Uranium Conversion Facility (UCF) has been submitted to the Agency in 2000 that is sooner than being obliged to. Iran had during last 26 years used total of only 57 kg of such materials in several laboratory scale researches, some as student thesis. In several occasions the results of these researches were published, presented at international conferences and even reflected in the IAEA fellowship application forms. Despite of full transparency and the minute quantity of natural uranium used in the R&D, the political circles made a big noise out of it.

However, after almost two-year political tension, the Agency declared that uranium conversion activities will be followed a routine Safeguards implementation manner (Para 6 & 43 of GOV/2005/67).

2- Total amount of Plutonium separated in the research activities is estimated by the Agency to be about 200 milligrams, while it has to be noted that tons of plutonium are continuously produced and separated by both Nuclear Weapons States as well as the Non-Nuclear Weapon States Parties to the NPT. As reported by DG the Plutonium research project was terminated in 1993. The dismantled equipment was presented to the Agency's inspectors. It has to be recalled that the lack of clear technical distinction of the Plutonium production, separation and purification in one of the previous reports to the Board of Governors created great misunderstanding for non-technical and political circles (Refer to annex-3).

## Sustained & proactive cooperation of Iran with the IAEA and International community

- a- Iran has had close collaboration with the IAEA even beyond its legal obligations (such as granting accesses even to military site, facilitating interviews with several individuals, implementing the Additional Protocol as it has been ratified, providing non safeguards relevant information, voluntary suspensions,..).
- b- Iran intensified multilateral diplomacy with the Agency's Member States, members of Non-aligned Movement and European Union, China, Russia and other members of the Board of Governors.
- c- Iran has proactively cooperated with the Agency in an extra-ordinary manner during the last two years with almost continuous inspections, amount to over 1300 man-day inspection, which is unprecedented in the history of the IAEA.
- d- In an historical and unprecedented gesture, Iran decided to voluntarily and temporarily suspend its enrichment and reprocessing activities in order to give the Agency opportunity to perform its technical activities including sampling and analysis of the contaminated samples at Natanz.

- e- Director General in his report to the Board of Governors confirmed that "Since December 2003, Iran has facilitated in a timely manner Agency access under its Safeguards Agreement and Additional Protocol to nuclear materials and facilities, as well as other locations in the country, and has permitted the Agency to take environmental samples as requested by the Agency.
- f- The Director General informed the Board that "Since October 2003, Iran's cooperation has improved appreciably".

The following major measures by Iran are the basis of his assessment:

- Signature of the Additional Protocol on 18 December 2003;
- Voluntary provisional implementation of the Additional Protocol, from 18 December 2003, prior its ratification, as if Iran has ratified it;
- Complementary access (more than 20) in accordance to the Additional Protocol, in many cases with 2 hours notice or less.
- Full and unrestricted access to all nuclear material and all facilities, in particular to the Enrichment Facility at Natanz, Uranium Conversion Facility (UCF) at Esfahan;
- Provision of detailed information in connection with the imports of nuclear material and components related to the centrifuge and laser enrichment activities;
- Providing full detail information on the chronologies, activities, researches, progress reports regarding the enrichment activities, uranium conversion, plutonium separation, mining and milling, research reactor, heavy water production;
- Providing accesses to military sites following the allegations by a certain country and the opposition terrorist group supported by it. The inspection proved the allegations to be baseless.
- In October 2003, the Agency was granted to visit the military industrial complex called Kolahdouz that had been announced by terrorist group (MKO, NRCI) as relevant to enrichment activities. Following its inspection, the Agency reported in para49 of GOV/2005/67: The results did not reveal any indications of activities involving the use of nuclear material.
- ➢ In June 2004, the Agency was granted to visit the military complex of Lavisan-Shian where the Agency took environmental samples. As DG

reported in Para 102 of GOV/2004/83: " ...the vegetation and soil samples collected from the Lavisan - Shian site have been analyzed and reveal no evidence of nuclear material ".

- ➤ In January 2005, free access was granted to Parchin Military site. Environmental samples were taken. The Director General then reported that the results showed no indication of presence of nuclear material and that the Agency's inspectors did not see any relevant duel-use equipment or material.
- Beyond obligation and normal practice, permission was given for transferring parts of equipment (laser collectors, Pu discs,..) and samples of materials for analysis (destructive & non-destructive) to the Agency laboratories, in addition to the environmental samples (swipes);
- Provision of information on Heavy water Production Plant, prior to the provisional implementation of the Additional Protocol, where Iran was not yet obliged to do so under its comprehensive Safeguards Agreement (INCIRC/153).
- Submission of more than 1000 pages of the initial declarations of the Additional Protocol on 21 May 2004 and subsequently routinely updated the declarations, which have been verified by the Agency.

#### IAEA's Performance since the political dispute started:

The Agency performance could be evaluated on the basis of the functions and decisions of the Board of Governors and the Secretariat in brief as follows:

1-Under the political pressure of few western countries, the Board of Governors was in many cases politicized to the extent that the technical issues were scarified and resolutions were mostly beyond the letter and spirit of the Agency's Statute and the NPT. The comparison between the deliberations of Iranian nuclear case and others, by the Board of Governors in this period, will support the assertion that Iran has been discriminated and this technical international body has to great extend been politicized. The historical positions and criticism of the countries of Non-Aligned Movement (NAM) during the meeting of the Board of Governors as well as the 48<sup>th</sup> Session of the General Conference is a clear indication of the unjustified status quo (Annex 2).

2-The phrase "Concealment" which was first used by US and later by Secretariat in

its reports, are absolutely incorrect and misleading. Lack of reporting of the activities such as establishment of nuclear facility which Iran was obliged to inform the Agency through DIQ form under its Comprehensive Safeguards Agreement (INFCIRC/214), only 180 days before the defined nuclear material are feed in, is not a concealment. It has to be recalled that when some of the activities and design and construction of facilities started, the Additional Protocol even did not exist!! Even if the construction of the Bushehr Nuclear Power Plant was started almost 25 years ago but Iran was obliged only to report its existence and give specification only 180 day before nuclear material (the fuel) is received in the reactor. The same is applied to other facilities such enrichment plant at Natanz, uranium conversion plant(UCF), which the Agency was informed even four years before Iran was obliged to do so. It has to be noted that the Safeguards Implementation Reports (SIR) of the Agency includes a lot of failures by other Member States which have not been highlighted. The last but not the least is the fact that the Agency is legally neither in position nor it could judge the intention of Member States thus the use of the concealment phraseology is out of context. The Secretariat is mandated to verify the declaration of the State Parties by technical means.

3- Although the Secretariat intended and tried to behave impartially and within the provisions of the comprehensive Safeguards and the Additional Protocol but in number of cases acted beyond them demanding Iran to provide information or to grant access where Iran was not obliged either under the provisions of the comprehensive Safeguards or the Additional Protocol, but under the pretext of the cooperation and transparency requested by the Board of Governors

4- In few cases where Iran was not in position to fulfill the extraordinary requests due to logistic, time constraint or national security concerns, the Secretariat did reflect the issue to the Board of Governors as if Iran had not fulfilled its legal obligations. The few members of the Board of Governors have to be blamed for opening new chapter of unprecedented activities for the Secretariat such as the nontechnical intelligence activities working on networks which are beyond the Statute.

5- In many cases conclusions were made and reported to the Board of Governors, before sampling, analysis and technical investigation be completed. Several resolutions were passed against Iran based on premature information particularly on contaminations in spite of repeated request by Iran in refraining to conclude hastily before the technical investigation is over .The confirmation (Para 12 & 45 of GOV/2005/67) of the Iranian repeated assertion of the foreign source of uranium contamination proves this claim. Iran did reflect it inconveniences on such shortcomings in documents INFCIRC/628 and INFCIRC/630 as well as the statements at the meetings of the Board of Governors (Annex 4).

6- Since the terms "transparency", "full cooperation", "completeness of information", are not defined as far as the scope and limits are concerned, sometimes lengthy debates are made in order to convince individual inspectors, where in the majority of cases that the terms are well defined in the Safeguards Agreement and the Additional Protocol inspections are smooth and effective.

7- In fact the proponents of the resolutions using new terms have to be blamed not the Secretariat. Although many Member States have often admired the patience and cooperation of Iran in this regard, but they have already expressed serious concerns that such practices might turn into new precedence in terminology of the legal obligations in particular Agency's Safeguards.

8- It has to be recalled that in one occasion when it was proved that the Secretariat had made mistake in concluding that the Iran's statement on the project was *"contradictory and changing"*, the Director General publicly admitted the mistake by the inspectors. The Director General has to be commended for his honest approach in this respect.

#### Improper response to the Iran's enhanced cooperation

In spite of the unprecedented major steps and proactive cooperation by Iran, in confidence building, the Board of Governors started in its resolutions by requesting Iran to only suspend "feeding UF6 into centrifuge machines" but gradually few western countries exerted political pressure on Board of Governor, to urge Iran to fully suspend not only all enrichment activities but the uranium conversion activities, UCF, to reconsider the project on the heavy water research reactor, and even going much beyond R&D.

Calling on Iran to extend and continue suspension of its nuclear activities which are under Agency's Safeguards is in contravention of the spirit and the letter of the NPT, Statute of the IAEA as well as the Safeguards Agreements. Few members of the Board of Governors have spared no effort in imposing their discriminatory policy by prolongation of the suspension, although considered in all resolutions as voluntary, non- legally binding, as a confidence building measure, with the aim of total cessation of Iranian nuclear activities. Although the Secretariat is preparing the reports to the Board of Governors with distinction of the voluntary issues from the obligatory ones, but it has not made prioritization of the minor and major issues, as far the safeguards requirements are concerned. The international community has not been able to recognize the degree of significance of number of issues listed repeatedly in voluminous document by the Secretariat. They should not be blamed for not being able to distinguish the difference between Polonium (is not fissionable material and not reportable, as DG previously reported) from plutonium. It is worthy of recalling that in one of meeting of the Board of Governors the US delegate asked the Deputy Director General how many centrifuge and atomic bombs Iran will be able to make with 4000 pieces of small magnets which it had in mind to buy for P-2 in the future, though not purchased. The DDG responded the hypothetical and naïve question by saying two nuclear explosive! Considering the fact that in addition to couple of small magnets costing couple of dollars one needs over ninety more items in order to make one centrifuge machine, this kind of attitudes and non-technical approaches at the Board of Governor, has and will undoubtedly put the credibility of the IAEA, the sole pertinent international technical organization, in jeopardy.

It is of a great concern and disappointment that the more Iran did cooperate and took additional steps mostly beyond its legal obligations, and the more outstanding questions were resolved, and the more stringent Safeguards measures applied; the language of the proposed resolutions by US and EU3 became tougher and the inspections were conducted in much more stringent and robust manner.

The following information exerted from the DG report to the Board of Governors and resolutions supported the assertion regarding the unjust and frustrating trend:

In June 2003 Iran was first requested: *Not to introduce nuclear material* at the pilot enrichment plant as a confidence building measure that is only suspend enrichment process. Gradually in subsequent meetings, September 2003, November 2003, February 2004, March 2004, June 2004, September 2004, November 2004,

Iran was requested to expand its voluntary suspension to: testing, assembling of the machines, manufacturing of centrifuge components, production of UF6, and finally to suspend complete uranium conversion at UCF, and not to conduct R&D. Considering the fact that the suspension was recognized even by Agency's resolutions as voluntary, non-legally binding, and as a confidence building measure, therefore these requested measure are in contrary to all provision of the NPT and Agency's Statute.

#### **Special session of Board of Governors (**August 2005):

#### **Background:**

A-Iran submitted a constructive proposal, based on the Paris agreement, on Objective Guarantees for nuclear activities including the enrichment to remain exclusively peaceful.(Annex-5) The EU3 rejected the proposal.

B- After months of delay, the EU3 gave Iran a proposal which is in full contravention of the sprit and letter of the Paris agreement. In this proposal EU3/EU had exclude the Iran's right to have activities on nuclear fuel cycle. Both Tehran & Paris agreements in 2003 and 2004 respectively had recognized Iran's right to work on nuclear fuel cycle including enrichment. In accordance with the Paris Agreement, Iran agreed to voluntarily suspend, as a confidence building, non-legally binding measure, its enrichment while the negotiation on mutually acceptable long term arrangement proceeds. Long before the resumption of the activities of the UCF, Iran had in many occasions including at the Ministerial Meeting in Geneva warned that any proposal from EU3 which exclude Iran's inalienable right for nuclear fuel cycle, will be contrary to Paris Agreement thus the shall put the continuation of negotiation in jeopardy. Based on the above mentioned developments and arguments, Iran had no more choice than to resume the UCF activities.

In spite of the Iran's major positive initiatives such as the voluntary suspension, the EU3 took an unjustified hasty step by calling a special session of Board of Governors for a minor issue related to bilateral agreement and proposed a resolution against Iran, the negotiating party! Although in this resolution the it is reiterated that the suspension of nuclear activities including the UCF are voluntary, confidence building, and non-legally binding measures but this unprecedented immature gesture by EU3 has to a great extent poisoned the environment of trust, cooperation and dialogue, so called Vienna spirit.

#### Protection of confidentiality by the IAEA

Iranian officials in several occasions have expressed their serious concerns and expected DG to make every effort to protect confidential information provided to the Agency's inspectors and officials, particularly in preparing its report for the Board of Governors. The Agency has to take cognizance of Iran's national security, considering the potential threat of armed attacks against nuclear facilities by Israel as well as terrorist opposition groups. The Director General reports which contain confidential information restricted for the members of Board of Governors have always been released to the western media prior to the meeting of the Board of Governors. In number of occasions highly confidential information, particularly on military sites provided to the Agency have been released. The repeated request by the Agency to visit military site following the allegations by US at the eve of meetings of Board of Governors has to be considered with the security concerns resulted from the problems of confidentiality.

The NAM expressed serious concern in this regards too (Annex 2). The Director General has also expressed concerns and instructed the Secretariat to observe the principles of confidentiality but no tangible results are yet noticed.

The latest event is the release, to western media, of highly confidential report of the Deputy Director General on Plutonium research project, prior to his presentation to the Board of Governors in June 2005. Selective politically oriented information on purely technical issue created confusions for almost all Member of Board of Governors and to some extent challenged the technical credibility and impartiality of the IAEA.

#### The Historical Role and Contributions of the Non-Aligned Movement (NAM)

Since the nuclear issue of Iran was raised in 2003, the NAM chapter started it activities in Vienna. It has always taken positions based on very principles which the movement's foundation was based on. The emphasis on the multilateralism and challenge against the nuclear disarmament and non-proliferation, on one hand, and non-compromising position on inalienable and non-discriminatory right for peaceful uses of nuclear energy, on other hand, have been the valuable principles NAM has reiterated during last two years at the IAEA Board of Governors and General Conferences.

The following are few examples of the NAM declarations:

"...NAM believes that issues should be resolved on technical grounds.

... NAM attaches paramount importance to reaching decisions of the Board through consensus to bring this issue to a prompt closure and its removal from the coming Board's Agenda, and achieve normalcy.

...NAM appreciates that the Agency has been able to verify Iran's suspension of enrichment related activities at specific facilities and sites, and has been able to

confirm that it has not observed, to date, any activities at those locations inconsistent with Iran's voluntary decision.

... NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes and recognizes that this voluntary gesture is a confidence building measure and temporary in nature, intended only to further facilitate a prompt closure of this Agenda Item.

...NAM welcomes that the resolution reflects the fundamental principles established of NAM, namely:

- The basic and inalienable right of all Member States to develop atomic energy for peaceful purposes; and
- A clear distinction between voluntary confidence building measures and legal safeguards obligations.

In the course of the Special Session of Board of Governors, convened at the request of EU3, in August 2005, NAM put on record of the Board and tried to be incorporated into the resolution, its principle positions part of which are as follows:

NAM would like to emphasize that it is fundamental to make a clear distinction between legal obligations of Member States to their respective Safeguards agreements and their voluntary commitments, which is required to ensure that voluntary commitments f Member States will not turned into legal safeguards obligation. NAM is of the view that if these two issues are not clearly distinguished, it implies that member sates could be penalized for not adhering to their voluntary commitments.

After the adoption of resolution, NAM put on record it's the following concerns and expectations:

NAM continue to underline that all problems have to be resolved through dialogue and peaceful means and in this regard calls on EU3 and Iran to continue with their dialogue with a view to achieving a mutually long term agreement within the mandate of the IAEA.

It has to be noted that NAM decided to join the consensus with the understanding that above mentioned principles shall be duly considered in the future deliberations.

The complete texts of the NAM's statements on Iranian nuclear issue since the issue was raised at the Board of Governors are attached as Annex 2.

#### The future perspective based on the Agency's latest overall assessment:

After almost two years robust investigation, samplings and technical analysis, the key issue of the source of HEU contamination is resolved. The DG confirmed the Iranian declaration by saying: "Based on the information currently available to the Agency, the results of that analysis tend, on balance, to support Iran's statement about the foreign origin of most of the observed HEU contamination". With the cooperation of the third country the assertion of Iran has once again been confirmed.

DG further reported: corrective measures for failures have been made. All the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities. Agency will continue its safeguards activities in Iran on a routine manner, implementing the comprehensive safeguards agreement and the Additional Protocol. Iran is determined to continue its full cooperation with Agency in accordance with Safeguards Agreement and the Additional Protocol.

## **PART THREE**

#### **Comments on the DG report (GOV/2005/67)**

#### **General Comment:**

Requesting the Director General to give a comprehensive report at each meeting of the Board of Governors, repeating thoroughly the previous reports on the activities of Iran during the last 26 years has not only put a lot of burden on the Secretariat but has confused the Member States, and the international community at large. The Agency is expected to perform in more reasonable and effective manner by preparing only an updated report for each meeting with references to issues of the past by giving the address of the codes and dates of the past reports, if needed. Repeating the issues some of which have already been resolved a year ago has confused the readers as if there is a new issue. All pervious reports are already available at the IAEA site thus there is no need for the secretariat to spend a lot of time and money from the regular budget of Member State to do so.

The reports for the Board of Governors have to be concise dealing with major issues, informing the latest status, and suggesting future steps to be taken by Secretariat. Needless to say that the Director General should not be blamed since it has to fulfill mandates given by the Member States, including the Board of Governors.

Refraining from entering into details of the last DG report, only some cases which have created more confusion are dealt with in below:

#### **Uranium Mining and Concentration**

(Paragraphs 28-31)

At the outset it has to be noted that although Iran has not been obliged to inform about the Uranium mines, under comprehensive safeguards (INFCIRC/214), it has for the last 25 years given comprehensive information on mines including the Gachin Bader Abbas mine, which are published in the IAEA book called "Uranium Resources, Production and Demands" known as "Red Book".

During the inspection in Bandar Abbas Uranium Mine and Concentration Plant, Head of National Escort Team of Iran reminded the Section Head of Operation B the fact that after the voluntary decision of Islamic Republic of Iran to implement Additional Protocol prior to its ratification, Iran is fully implementing as if it has been ratified thus complete declarations have already been submitted to the Agency. According to Para a.(v) of Article 2 of the AP: "Iran shall provide the Agency with a declaration containing information specifying the location, operational status and the estimated annual production capacity of uranium mines and concentration plants and thorium concentration plants, and the current annual production of such mines and concentration plants for Iran as a whole. Iran shall provide, upon request by the Agency, the current annual production of an individual mine or concentration plant. The provision of this information does not require detailed nuclear material accountancy".

Confirming the statement and legal opinion, the Section Head of Operation B of the Safeguards Department requested the following information in the spirit of cooperation and transparency:

- 1- Design drawings
- 2- Know how which the AEOI had provided to the Kimia Madan Company (K.M.)
- 3- Contract between AEOI and Kimia Madan Company

With understanding that this is transparency cooperation and assuming that these are the only additional information needed, Iran provided the requested information and bulky documents. However later on, the Agency requested again the Additional information and the following original documents:

- 1. The contract between the AEOI and Kimia Madan for the Gachine mill project.
- 2. Engineering drawings, first issue and final issue (approved for construction issue) for the civil construction of the chemical processing building and the ore processing buildings.
- 3. Engineering drawings, first issue and final issue (approved for construction) of major items of chemical processing equipment such as the leaching tanks, extraction column, precipitation and thickening equipment and the U3O8 drumming station.
- 4. Purchase orders for the major items of chemical processing equipment noted in point 3 above.
- 5. Purchase orders for major equipment items of the original ore processing circuit (grinding circuit) and for the new grinding circuit.

It was further explained that according to the contract, the K.M. was only obliged to give the final version of the documents and drawings to the AEOI, which were fulfilled and the final documents have been handed over. K.M. was not obliged to submit the initial and interim documents. The K.M. however informally handed over some documents of the project including the first issues of drawings (presented to the Agency's inspectors) to the AEOI after the company collapsed. Engineering drawings were presented in the meeting August 2005. In these drawings the abbreviated names of persons who designed, drawn, checked or approved, the reference of the project number the company names who prepared the drawing (subcontractor of K.M.) had already been covered by the private company, with black marker on both side of the paper. The inspectors were informed that the coverage of names was done to protect the commercial secret of the private company. The Agency in its inspection report concluded that: From the remaining information available to the Agency on these documents no indication could lead to conclude that these documents are not genuine document related to the project.

Following the review of the additional purchase documents by inspectors it was concluded that: It is clear that the work of the first grinding circuit had been very intensive and conducted in a short time, thus it fits the assertion of Iran that the work has been made in short period which the Agency had already been confirmed. Though Iran has proactively provided numerous original documents on know how, design and even purchase documents which are not related to the technical mandate of the inspection, but Iran has serious concern that such requests beyond the Additional Protocol will establish a new precedence for which has negative impact on decisions by other Member State which are studying to sign or ratify the Additional Protocol.

#### **Inspections of the Military Site**

At the eve of the meetings of the Board of Governors the US political campaign against Iran is augmented with baseless allegations. It is somehow disappointing that the active cooperation of the Iran in granting prompt access to military sites, being directly related to national security, has not been duly reflected in the reports to the Board of Governors. The fact that the IAEA ' inspection have proven that the allegations were baseless has not also been reported in appropriate manner to BG as well as the public. There is an urgent need for adoption of legally binding provisions in the Agency to prevent the repeated baseless allegations by one Member State against the others. Till then the Agency has to be cautious about the consequences of continuation of such trend. A short review of three different cases namely Kolahdouz, Lavisan Shian and Parchin are as follows: In para49 DG reported: the Agency's legal authority to pursue the verification of possible nuclear weapons related activity is limited. The Agency has, however, continued to seek Iran's cooperation in following up on reports relating to equipment, materials and activities which have applications in the conventional military area and in the civilian sphere as well as in the nuclear military area. Iran has permitted the Agency, as a measure of transparency, to visit Defense related sites at Kolahdouz, Lavisan and Parchin. While the Agency found no nuclear related activities at Kolahdouz, it is still assessing information (and awaiting some additional information) in relation to the Lavisan site. The Agency is also still waiting to be able to re-visit the Parchin site."

#### **1-General comment:**

A- In case the Secretariat is seeking further legal authority, beyond the framework of the IAEA statute, NPT, comprehensive safeguards (INFCIRC/153) and the Additional Protocol (INFCIRC/540), it should not raise the issue when it deals with the Iranian particular case. It has to be born in mind the fact that many member states have already expressed serious concern that existing legal framework and authorities suffice and at this juncture that still many member states are considering either to sign or ratify the Additional Protocol, the announcement of weakness, shortcoming or deficiency of Additional Protocol will put its universality and future in jeopardy.

B- In spite of the tremendous propaganda and political tensions against Iran, the Agency has not reflected to the international community, the facts of full cooperation of Iran in granting access to military sites, samplings and results of its findings in an appropriate, fair and timely manner.

C- It is of a serious concern that Secretariat is raising a new issue that is "dual use equipment and material". This term is not identified or defined by any of the Agency's legally binding instruments such as the safeguards agreements. Widening the scope to huge number of items with various applications in medicine, agriculture and industry is a serious risk for the credibility of efficiency and the authority of the Agency. Member States have serious concerns of new precedence particularly beyond well defined acceptable terms and references of Agency Safeguards. The Secretariat had attached the specification of dual use equipment of the Nuclear Supplier Group (NSG) when requesting clarification and visits to both Lavisan and Parchin site, as if the NSG recommendations are legally binding and obligatory for Agency's Member States!

#### **2-Specific comments:**

A-Regarding the Military site of Kolahdouz site the Agency only limited to a short comment:

"... the Agency found no nuclear related activities at Kolahdouz".

It has to be noted that during the visit to Kolahdouz, the inspectors requested on spot, based on open source information, to also inspect another military site nearby to Kolahdouz called Shahid Kazemi. In spirit of cooperation and transparency, Iran granted promptly (within 15 minutes) access to this site. In addition it has to be recalled the Agency's another request during the same visit to have access to a location which the Agency assumed to be a military site. This request was also fulfilled. It was then noticed that it was a pharmaceutical storage and not a military site as claimed by open sources. This important proactive cooperation of Iran was never reflected in the reports to the Board of Governors.

B- With respect to the Lavisan- Shian site after number of meetings, thorough review of the chronology, inspections, sampling, interviews, Agency informed in Para 37 :Iran has, since October 2003, provided the Agency upon its request, and as a transparency measure, access to certain additional information and locations beyond that required under its Safeguards Agreement and Additional Protocol. Though the Director General fairly reported that these visits and inspections conducted in the spirit of transparency and cooperative and not obligatory, but it did not highlighted the fact that results of sampling and investigation have not proven any indication contrary to the assertion of Iran thus the allegations were baseless.

The DG has in this report, Para 39, informed: The information provided by Iran appeared to be coherent and consistent with its explanation of the razing of the Lavisan-Shian area.

C- Regarding the Parchin, the Agency was informed that the site is well known as the conventional military site and there is no activities declarable to the Agency but as a matter of transparency and in order to remove any ambiguity and to prove that the allegations are baseless, the Agency inspectors are welcomed, provided that the Iran' security concerns be duly considered. After thorough discussion on 7 January 2005, in Vienna an agreement was made with the Agency. The text of discussions and decisions is now reflected in order to draw a clear picture of the developments: In the course of this meeting Iranian delegation declared:

- Islamic Republic of Iran is determined to consider the concerns of the international community by implementing its Agency Safeguards Agreement and the Additional Protocol. It is however concerned about the continued baseless allegations by a certain country and a well-known terrorist group and the Agency's requests for visit being based on those allegations.
- Iran assures the Agency that the Parchin complex is not a nuclear site and there are no activities declarable under the Safeguards Agreement and the Additional Protocol.
- Islamic Republic of Iran is of the belief that the repeated requests by the Agency for visits on the basis of such allegations, where in previous occasions, after the visits and inspections, have proven to be baseless, will put the Agency's credibility and reputation in jeopardy.

Considering the above concerns and taking the following points into its due consideration by the Agency, Iran agreed to grant access to Parchin site:

A- The request by the Agency has to be clear enough as far as the geographical coordination and specifications of the location is concerned.

B- The Agency will choose an area with the highest priority in the complex.

C- The Agency inspectors will fully observe the security regulations of the Ministry of Defense during the visit.

D- The Agency will refrain from release (orally or in written) of the information to be received during the visit to this site, considering the confidential nature of such information.

E- The Agency will not publicize the issue prior to the visit bearing in mind the possible negative impact on the Iranian public opinion and thus the future cooperation with the Agency.

F- The Agency will officially announce to the international community the baseless nature of the allegations after the visit proved as falsehood and the lack of evidence for any diversion to the prohibited purposes.

G- Considering the negative implications of such continued baseless allegations and the Agency's visits, it is expected that such a trend will no longer be continued.

H- Any future request for clarification or access will be made in accordance with the Iran's Safeguards Agreement and the Additional Protocol.

In the same meeting the Agency selected an area which it considered the highest priority. The DG also confirmed the agreement .He however requested if possible another area also be visited but it was emphasized that this request is not a condition on the agreement made. Before the inspectors move towards the site Iranian authorities gave another opportunity to the Agency to change their choice and propose any other area instead, if it wished to do so. The inspectors informed that they still want to inspect the area identified in the meeting in Vienna. The inspection was made with full cooperation of the Ministry of Defense as the DG also confirmed in his report. In paragraph 41 of September 2005 (GOV/2005/67) DG further reported that: "The Agency was given free access to those buildings and their surroundings and was allowed to take environmental samples the result of which did not indicate the presence of nuclear material, nor did the Agency see any relevant dual-use equipment or material in the locations visited".

Therefore new request for visit to Parchine is in contrary to the agreement made in Vienna, at the highest level, followed by the inspection conducted in the satisfactory manner, as already reported by the Director General.

#### Plutonium Research Project (Pra 8 & 24 of GOV/2005/67)

The phrases ".. new information " in para8 and ".. Agency's earlier finding that the age of the plutonium solutions in the bottles appeared to be less than the declared 12–16 years, indicating that the plutonium could have been separated after 1993" are incorrect. Iran did clarify the technical confusion of "Age" in its statement at the Board of Governors in June 2005 thus ambiguity has already been removed (Annex 3).

The Agency is expected to give full picture rather than partial minor technical information which confuse the non-technical readers. For instance the phrase in paragraph 24 which say ".. total number of targets in those containers was higher than had been declared " is **misleading** since the Agency is aware of the fact the total number of batches was meant and not necessarily number of individual containers. The relevant issue is the amount irradiated nuclear material and not the containers which are to be disposed as waste! It is also to remind that Iran, itself suggested to take samples from the irradiated wasted material which had not be reprocessed in order to prove its assertion regarding the timelines of the irradiation and separation.

#### Centrifuge Enrichment (P-1, P-2):

After two year joint deliberation of IAEA and Iran, numerous inspections, interviews with project experts and officials, environmental samplings, which lead to the resolution of the key issue of the contamination to HEU & LEU particles, the Agency has reached to a point that could honestly declare the completeness and correctness of the information on enrichment programs declared by Iran. However it has so far refrained to do so since under the political pressure of few western countries it is involved in extraordinary non-technical activities, intelligence investigation of the so called Nuclear Network. The Agency inspectors with scientific and nuclear background are involved in purely intelligence security activities which require close collaboration with the western intelligence Agencies. The Secretariat however claims that it implements the decisions of the Board of Governors. Therefore there is an urgent need for establishment of a legal mechanism that the Secretariat be mandated to give legal advice to the members of Board of Governors prior to adoption of any decision or resolution in order to assure their conformity with the Agency's Statute. These activities are definitely is contrary to its mandate under the Statute. Most of the issues on P-1 and P-2 that the Agency still considers pending are the information regarding the deal with intermediaries. Agency is insisting on receiving information on the date and venue of meetings with intermediaries, detailed minutes of meeting, list of individual participated at the meetings, their occupation and addresses, the original personal and service passports of Iranian experts, amount of money paid, etc. The denial of export licenses for even medical equipments by suppliers whose names have been noticed during inspectors (Iran did not cover the name during inspections), as well as the rejection of issuance of visa for some of Iranian scientist interested in participating at international conferences or to personal trip prove the regretful status quo.

Undoubtedly no Member State could imagine and permit the Agency's inspectors to enter into the redline zone of national security and the privacy of its citizens.

#### In BRIEF:

#### **Considering the facts that:**

- After over 1300 Man-days most robust inspections;
- Full implementation of the Additional Protocol, included performed more than 20 complementary accesses some with short notices of 2 hours or less during the past two years;
- IAEA has confirmed that it has not found any evidence that Iranian nuclear materials and activities are diverted to prohibited purposes;
- All nuclear materials are accounted for;
- Iran decided to take a major proactive step, suspending voluntarily its enrichment activities, in order to give a chance for the Agency to perform technical analysis of the samples;
- The IAEA has confirmed, as reported by DG (GOV2005/67), that the sources of HEU contamination are outside of Iran. It is proved that the HEU particles are not resulted from enrichment in Iran;
- Iran is implementing Comprehensive Safeguards Agreement and voluntarily implementing the Additional Protocol as if it has ratified it;
- The bitter past history of monopoly, sanctions as well as the lack of any international legally binding instrument for assurances of nuclear supply;
- As reflected in NAM declarations and even the resolutions, even the last resolution adopted by the Special Board of Governors, the suspension of all related enrichment activities are a voluntary and non-legally binding as a confidence building measure;
- The existence of scientifically well justified and technically reliable mechanisms and sophisticated surveillance equipment at the IAEA' Safeguards Department, capable of verifying the declared enrichment activities and the levels of enrichment, and giving assurance that such activities are exclusively for peaceful purposes;
- Islamic Republic of Iran has in number of occasions announced that it shall

spare no effort to assure the international community that its activities will be exclusively for peaceful purpose.

There is no reason for Iran to sustain its frustrated voluntary suspension of uranium conversion (UCF) and enrichment as the result of which it would further be deprived from its inalienable right to work on nuclear fuel cycle, with the aim of producing required fuels for its research reactors and nuclear power plants.

### **Conclusion**:

Based on the facts and documents referred in this paper, the IAEA Member States, have to facilitate the progressive and constructive process within the framework of the IAEA continue, thus to further assure that the multilateralism and multilateral diplomacy works. At the same time the Member States have to prevent a certain state which has in other occasion implemented unilateral policy in contravention of international law and has ignored serious security concerns of the international community, under the false pretext of existence of the WMD, to take all achievements so far made by the IAEA, as hostage and derail the process to outside of the framework of the IAEA, pushing for confrontation which definitely endanger regional and global security.

Reiterating that Islamic Republic of Iran is fully committed to the principles of nuclear disarmament and non-proliferation and the nuclear weapons option is not in Iran's Defense Doctrine, it declares that it is determined to continue its full cooperation with the IAEA and implementation of its obligations under the Agency's Safeguards provided that Iran is not deprived from its inalienable right for peaceful uses of nuclear energy, including nuclear fuel cycle as envisaged in the Agency's Statute and the NPT.

## ANNEX 1

#### **ABBREVIATIONS AND TERMS**

AEOI	Atomic Energy Organization of Iran
AUC	Ammonium Uranyl Carbonate
DIV	design information verification
DU	depleted uranium
ENTC	Esfahan Nuclear Technology Centre
FEP	Fuel Enrichment Plant, Natanz
FFL	Fuel Fabrication Laboratory, ENTC
HEU	high enriched uranium
HWPP	Heavy Water Production Plant, Arak
IR-40	Iran Nuclear Research Reactor, Arak
JHL	Jabr Ibn Hayan Multipurpose Laboratories, TNRC
LEU	low enriched uranium
PFEP	Pilot Fuel Enrichment Plant, Natanz
SAL	Safeguards Analytical Laboratory, Seibersdorf, Austria
TNRC	Tehran Nuclear Research Centre
TRR	Tehran Research Reactor, Tehran
UCF	Uranium Conversion Facility, ENTC
UF4	Uranium Tetra Fluoride
UF6	uranium hexafluoride
UO2	uranium dioxide
UO3	uranium trioxide
U3O8	Urano Uranic oxide
UOC	uranium ore concentrate
WBC	whole body counter
L	1

## Annex 2

# Positions on Iranian Nuclear Issue Meetings of the Board of Governors International Atomic Energy Agency

2003 - 2005

Note: During several meetings of the Board of Governors, since the issue of Iranian nuclear program was raised, positions were expressed by individual or group of countries. The Islamic Republic of Iran is obliged to put on record its appreciation for very constructive position of members of the Non-Aligned Movement (NAM), which has played essential role in creating peaceful environment and preventing confrontation among Member States by emphasizing the necessity of dealing with Iranian nuclear issue in technical manner within the IAEA being the sole pertinent international technical organization. The NAM has to be commended for great progress already made by the IAEA in resolving outstanding issues. The following positions expressed by NAM during the meetings of the Board of Governors are clear indications of constructive role of NAM in peaceful settlement of the issue within the framework of the **IAEA:** 

#### September 2003

comments on GOV/2003/68 dated 11 September 2003.

With regard to operative paragraphs 3 and 4, NAM members of the NPT believe that it goes beyond the spirit of the NPT and the policy of the Agency, which is based on "trust but verify" as it asks Iran to take action beyond the NPT and Additional Protocol provisions.

On operative paragraph 4, NAM believes that by putting the deadline at the end of October 2003, we are tying the Agency's hands by this date.

More importantly, it also gives the wrong impression that Iran's cooperation is no longer required after this date.

On operative paragraph 4(ii), it is our view that a legal interpretation is required on the term "unrestricted access" with regard to Iran's compliance with its current Safeguards Agreements. As we all know, the term "unrestricted access" is not even used in the Additional Protocol.

It is NAM's considered view that the words "definitive conclusions" in operative Paragraph 7 of the GOV/2003/68 do not mean necessarily "final conclusions" but mean "appropriate or precise conclusions" and that this resolution is not intended to forestall or hinder the Agency's required activities in Iran before or after the November 2003 Board meeting for the Agency to bring all outstanding issues to a closure.

NAM welcomes the increased cooperation between the Agency and Iran and encourages Iran to continue intensifying this cooperation.

NAM has full confidence in the Director General and his ability to discharge his responsibilities in an impartial, effective and professional manner.

NAM is convinced that the matter shall be resolved peacefully within the Agency's mandate.

Finally, I would like the statement that I have just made to be fully reflected in the records of this meeting.

#### November 2003

I take this opportunity to briefly report to this Meeting that at their Meeting at the 58<sup>th</sup> Session of the General Assembly of the United Nations in New York on 26 September 2003, the Ministers of Foreign Affairs of the Non-Aligned Movement welcomed the strengthening of the co-ordination among Non-Aligned countries in, *inter alia*, Vienna and are convinced that these mechanisms would contribute to the unity and further increase the effectiveness of the Movement in the multilateral fora.

#### (a) The conclusion of safeguards agreements and of additional protocols

1- As regards to Agenda Item 3(a), the NAM Chapter in Vienna notes the decision of the Government of the Islamic Republic of Iran to conclude its Additional Protocol pursuant to its commitments as contained in document GOV/2003/77 indicating that Iran was prepared to voluntarily act in accordance with the provisions of the Protocol, pending its entry into force.

#### (b) Implementation of the NPT safeguards agreement in the Islamic Republic of Iran: Report by the Director General

- 2- On behalf of the NAM Chapter in Vienna, I wish to express the Movement's appreciation to the Director General, Dr. Mohamed ElBaradei and the Secretariat for the report to the Board in relation to safeguards issues in the Islamic Republic of Iran, as contained in the document GOV/2003/75.
- 3- NAM takes note of this comprehensive report and notes with concern the past failures by Iran. This report has also clearly expressed the increased cooperation between Iran and the Agency, and that Iran has continued to intensify this cooperation by adopting the necessary corrective measures to rectify and resolve the issues as was called by the Movement.
- 4- In the context of resolution (GOV/2003/69) which, *inter alia*, decided that it was essential and urgent in order to ensure IAEA verification of non-diversion of nuclear material that Iran remedy all failures identified by the Agency and cooperate fully with the Agency to ensure verification of compliance with Iran's safeguards agreement by taking all necessary actions by the end of October 2003, NAM notes with appreciation that Iran has done so, including:

(i) provided a full declaration of all imported material and components relevant to the enrichment programme including imported equipment and components stated to have been contaminated with high-enriched uranium particles (paragraph 34 of the Report); collaborated with the Agency in identifying the source and date of receipt of such imports and the locations where they have been stored and used in Iran (paragraph 51 of the Report) on 23 October 2003;

(ii) granted unrestricted access beyond its legal obligations, including environmental sampling, for the Agency to whatever locations the Agency deemed necessary for the purposes of verification of the correctness and completeness of Iran's declarations since beginning October 2003 and this had also included the Kolahdouz industrial complex (paragraph 10 of the Report);

(iii) acknowledged and resolved questions regarding the conclusion of Agency experts that process testing on gas centrifuges must have been conducted in order for Iran to develop its enrichment technology to its current extent (paragraph 32 of the Report);

(iv) provided complete information regarding the conduct of uranium conversion experiments on 9 and 23 October (paragraphs 11 & 16 of the Report); and,

(v) provided such other information and explanations, and taking such other steps as are deemed necessary by the Agency to resolve all outstanding issues involving nuclear materials and nuclear activities, including environmental sampling results on also 23 October 2003 (paragraph 16 of the Report).

4. In this context, NAM is pleased that Iran has actively co-operated with the Agency and remedied all failures and fulfilled the urgent and essential actions required of it by that resolution, even though some of which were beyond Iran's current legal obligations. NAM is also pleased that this level of co-operation had resulted in the Agency to state that there was no evidence to date that the previously undeclared nuclear material and activities were related to a nuclear weapons programme.

5. In this regard, I wish to recall that the NAM Foreign Ministers at their Meeting of 26 September 2003 in New York had welcomed the increased cooperation between the International Atomic Energy Agency (IAEA) and the Islamic Republic of Iran. In this context, they also encouraged Iran to continue this co-operation and invited all States to assist the Director-General of the IAEA to establish a framework of cooperation, in consultation with Iran, to bring all outstanding issues to a closure. NAM would reiterate that the process should lead to an appropriate and precise conclusion as soon as possible.

4. NAM welcomes the agreed statement at the end of a visit to the Islamic Republic of Iran by the Foreign Ministers of France, Germany and the United Kingdom which agreed on measures aimed at the settlement of all outstanding Agencies' issues with regard to the Iranian nuclear programme and at enhancing confidence for peaceful co-operation in the nuclear field.

5. NAM notes the fact that, inter alia, they also gave commitments to cooperate with Iran to promote security and stability in the region including the establishment of a zone free from weapons of mass destruction in the Middle East. NAM reiterates its full support for the speedy establishment of this zone free of weapons of mass destruction in the Middle East in accordance with the relevant resolutions of the United Nations Security Council and the General Assembly. NAM again calls all parties concerned to take urgent and practical steps to that end, and urges Israel promptly to place all its nuclear facilities under Agency comprehensive safeguards.

6. NAM noted Iran's announcement, as a confidence building measure, to voluntarily suspend uranium enrichment activities. Similarly, NAM notes the recent announcement of Iran's intention to conclude an Additional Protocol, and to act in accordance with the provisions of the Protocol pending its entry into force, as a positive development (paragraph 18 & 54 of the Report).

7. NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes. NAM also places high importance towards achieving the appropriate balance between the rights of Member States and of their obligations.

8. NAM continues to encourage this accelerated co-operation between Iran and the Agency be continued with the support of other Member States to result in the full settlement of the issue. NAM continues to underline that this issue be resolved through constructive dialogue within the framework of the Agency as soon as possible. Of paramount importance to NAM is that any decision to be taken by the Board should be on the basis of consensus, consistent with the spirit of multilateralism and multilaterally agreed solutions. In this regard, NAM is ready to be engaged so as to achieve this end.

9. NAM continues to have full confidence in the Director General and his ability to discharge his responsibilities in an impartial, effective and professional manner.

10. NAM urges Member States to maintain the technical character of the Agency consistent with the role defined for it in the Statute and with regard to its verification mandate, its activities should correspond to the respective safeguards agreements of its Member States.

11. Finally, I would like the statement that I have just made to be fully reflected in the records of this Meeting.

#### <u>March 2004</u>

#### **VERIFICATION:**

- Bearing in mind, the voluntary decision of Libya Arab Jamahiriya and taking into account the Director General reports on Iran which indicated that there is no evidence to date that the Iranian nuclear programme is related to a nuclear weapons programme, NAM reiterates its full support for the speedy establishment of a zone free of weapons of mass destruction in the Middle East in accordance with relevant resolutions of the United Nations Security Council and General Assembly. NAM calls again upon all parties concerned to take urgent and practical steps to that end, and urges Israel to promptly place all its nuclear facilities under Agency full-scope safeguards. In that context, NAM wishes to recall the joint statement by Iran and the Foreign Ministers of France, Germany and the United Kingdom which included, *inter alia*, the commitment to promote security and stability in the region including the establishment of the zone free of weapons of mass destruction in the region;
- NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes. The NAM Chapter in Vienna reiterates the high importance towards achieving the appropriate balance between the rights of Member States and of their obligations; and
- reiterates that the Agency's work with regard to the safeguards and verification needs to be conducted in accordance with the provisions of its Statute and relevant safeguards agreements including the Additional Protocol as applicable to concerned States. The differentiated nature of the obligations undertaken by various States should be recognized and respected by the Agency in its work.

#### Safeguards Implementation in Iran:

Mr. Chairman,

1. On behalf of the NAM Chapter, I wish to convey the Movement's appreciation to the Director General, Dr. Mohamed ElBaradei, and the Secretariat

for the report to the Board in relation to safeguards issues in the Islamic Republic of Iran, as contained in the document GOV/2004/11.

2. The Chapter notes with satisfaction that this present report has clearly indicated the increased co-operation between Iran and the Agency, and that Iran has continued to intensify this co-operation by adopting the necessary corrective measures to resolve the issues.

3. While the Chapter commends the Secretariat for the extensive verification activities it had undertaken since November 2003, it requests the Agency to expedite its efforts, particularly in analyzing the environmental samples which have been taken, in order to resolve related outstanding questions as soon as possible.

Mr. Chairman,

4. NAM wishes to recall that the Board had previously adopted without a vote the resolution GOV/2003/81 and welcomes the progress made by Iran with regard to actions called for in that resolution. In particular, it notes that Iran had:

- Signed the Additional Protocol on 18 December 2003 (paragraph 5 of the Report), and acted as if it had ratified the protocol pending its ratification, and Iran's announcement of its full commitment to submit the required declarations on the basis of the timetable envisaged in the Protocol starting from 18 December;
- Actively co-operated in providing information, making individuals available for interviews (paragraph 30 of the report), granting Agency access and permission for environmental sampling to whatever locations the Agency had deemed necessary. Especially noteworthy, is the granting to the IAEA inspectors complementary access to six additional sites at short notice at different locations including workshop facilities situated at military sites (paragraph 72 of the Report) and the provision of other information to resolve the outstanding issue of contamination (paragraphs 36,37,38 and 40 of the Report);
- Voluntarily suspended its enrichment and reprocessing activities and had invited the Agency to verify this suspension;
- Provided information and extensive sets of drawings and technical reports regarding the conduct of uranium conversion experiments in January 2004, which had enabled the Agency to reach a preliminary conclusion on

an important outstanding issue indicating Iran's statements regarding the uranium conversion facility (UCF) project and the associated experiments and testing activities appear to be credible (paragraphs 14 & 73 of the Report); and,

• Declared all nuclear material to the Agency for verification, provided all inventory change reports, material balance reports and physical inventory listings requested by the Agency.

5. NAM takes note of the confirmation of Iran that its declaration of nuclear activities submitted to the IAEA on 21 October 2003 covered those items required under the comprehensive Safeguards Agreement and that subsequent declarations will be made in accordance with Iran's obligations under its Additional Protocol and verified routinely thereafter.

6. NAM takes note of the Islamic Republic of Iran's suspension of its enrichment and reprocessing activities and it's monitoring by the Agency. Bearing in mind the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes, NAM underscores that this voluntary gesture is only aimed as a confidence building measure, intended for the prompt closure of the issue.

7. The NAM welcomes this accelerated co-operation between Iran and the Agency and hopes that it will be continued to result in the full settlement of the issue as soon as possible. NAM believes that full transparency and co-operation of Iran is a welcome development and should lead to a new chapter of interaction between Iran and the Agency.

8. NAM attaches paramount importance to reaching decisions of the Board through consensus. In this regard, NAM strongly encourages positive engagement and dialogue between Member States to bring the issue to a prompt closure in an amicable manner within the Agency's mandate. We commend the role played by certain European Members States and others to foster an environment of co-operation and invite other Member States to support and join all such efforts.

9. With regard to the adoption without a vote of the present resolution on Iran, NAM had proposed several amendments to the text and in a spirit of compromise, was prepared to accept the resolution with the exception of operative paragraph (9).

10. In this regard, NAM interprets the present operative paragraph (9) to mean: that the Board of Governors shall reach appropriate conclusions at the June Meeting on the basis of the Director General's next report on this issue.

11. NAM echoes the Director General's statement and we all look forward to a time when the outstanding issues are resolved and international confidence is restored on this matter. At that stage, it should be possible to achieve normalcy on this case.

#### <u>June 2004</u>

#### (e) Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran: Report by the Director General

2. NAM recalls the finding of the Director General in the November report that to that date there had been no evidence of diversion of the Iranian nuclear program for military purposes and notes that with a robust verification system in place, which scrutinised Iran's activities in the past seven months, no such evidence existed to be mentioned in the June Report.

3. NAM welcomes the main steps, which Iran has been taking in pursuance to its declared policy of full transparency and in particular, it notes with appreciation that Iran had:

- Cooperated in facilitating more than 600 man-days of Agency inspections since February 2003 and granting complementary access with 2-hour notice and even less;
- Agreed on a action plan with the Director General on 6 April 2004 to accelerate cooperation with the Agency on a number of outstanding matters identified, with a view to achieving progress on the resolution of such issues prior to the June 2004 meeting of the Board of Governors (paragraph 7) and that the Agency had reported that there had been good progress on the implementation of agreed actions (Para 43);

- Provided the initial declarations pursuant to its Additional Protocol and its early submission was welcomed by the Agency (paragraph 43);
- Provided Information to help resolving the contamination issues; (paragraph 28)
- Provided the Agency with information and a detailed set of drawings and other design documentation related to the conversion, in a manner, which enable the Agency experts to conclude the validity of Iranian statement on conversion; (paragraph 31)
- Cooperated fully and provided all information which enabled the Agency's laser enrichment experts to confirm Iran's statement regarding production capability of laser enrichment activities; (paragraph 33)
- Submitted revised design information with respect to certain facilities and also provided corrections with respect to inventory change reports, material balance reports and physical inventory listings, as requested by the Agency; (paragraph 37)
- Actively cooperated with the Agency in providing access to locations in response to Agency requests, including workshops situated at military sites and in which the Agency reported as a welcome development; (paragraph 43) and,
- Agreed to provide one-year multiple-entry visas to designated Agency inspectors, and again, was welcomed by the Agency; (paragraph 43)

4. NAM also notes that the Agency has been able to monitor and verify Iran's implementation of its voluntary decision to suspend enrichment and reprocessing related activities at Teheran Nuclear Research Center (TNRC), Lashkar Abad, Arak, Kalaye Electric Company workshop, Natanz and the Uranium Conversion Facility (UCF) in Esfahan, and that the Agency had not observed to date any activities at those reported locations inconsistent with Iran's undertakings. In that context, NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes and recognizes that this voluntary gesture is a confidence building measure, intended only to bring the issue to a prompt closure.

5. Taking into account the statutory role and responsibilities of the Agency, NAM recognizes that as a consequence of the voluntary decision by Iran to suspend its enrichment and reprocessing related activities and inviting the Agency to monitor the suspension, the Agency is entering into a new terrain and also undertaking a new role for itself. Therefore, NAM echoes the view that assurances that the Agency can provide for the purpose of confidence building, in the particular case of Iran, are of a different nature and basis from those achievable hitherto, including with respect to the detection of nuclear material diversion. Therefore, any delays or variance of understanding of the scope of the suspension should be viewed in that perspective.

6. NAM also notes that the Agency continues to make progress in gaining a comprehensive understanding of Iran's nuclear programme as a direct result of the accelerated cooperation between Iran and the Agency. While several issues have been resolved or are nearing resolution, only two issues remain outstanding in the report, one of which has been clarified by the Agency during this session. Further, there is no new revelation of any undeclared activities.

7. On the first of the outstanding issues relating to the origin of HEU and LEU contamination found at various locations in Iran, NAM notes that some information received by the Agency from other States may be helpful in resolving some contamination questions. In this context, and taking into account the complexity of the issue, NAM encourages all those concerned to continue to make every effort to assist the Agency about the origin of the components that could be useful in clarifying these standing matters.

8. On the second issue, NAM notes that the Agency has gained a fuller understanding of the scale of the programme involving P-1 centrifuges and the location of their use. In the same vein, NAM hopes that the new information provided by Iran on 30 May 2004 and the recent 5-day visit by Agency inspectors and the recent clarification statement by the Secretariat in this session would soon resolve the issues surrounding the P-2 centrifuge programme.

9. NAM believes that with the continuing cooperation, the one remaining issue would be resolved soon. At that stage, it should be possible to achieve normalcy on this case in accordance with the usual practice pertaining to the implementation of Safeguards Agreements, and the Additional Protocol.

10. NAM is pleased to see the progressive resolution of outstanding issues between Iran and the Agency demonstrated by successive positive reports of the Director General. NAM believes that any issues should be resolved solely on technical grounds.

11. To this end, NAM attaches paramount importance to reaching decisions of the Board through consensus and NAM strongly encourages positive engagement

and dialogue between Member States to bring the issue to a prompt closure and its removal from the Board's Agenda within the Agency's mandate.

#### Mr. Chairman

12. With regard to the resolution which we have just adopted by the Board without a vote, I wish to make the following statement on behalf of NAM:

13. We regret that the major principle concerns and positions of NAM were not reflected in the resolution.

14. With regard to operative paragraphs 7 and 8, NAM Member States believe that these paragraphs address issues beyond the mandate of the IAEA. NAM also believes that these two operative paragraphs impinge on the inalienable rights of States to develop and use atomic energy for peaceful purposes through technologies of their choice. In addition, the two paragraphs downgrade the importance and the role of safeguards, and the reasons for its establishment.

15. With regard to operative paragraph 6 and mindful of the sovereign rights of States in undertaking further commitments and obligations, NAM is of the view that the Board cannot impose on States to ratify the Additional Protocol as it must respect sovereignty of States and the national legislative procedures of States in their ratification process.

16. Besides the aforementioned, NAM is encouraged to see steady progress towards resolving the issue within the next few months due to the continued cooperation by Iran.

17. Finally, Mr. Chairman, I would like the statement that I have just made to be fully reflected in the records of this Meeting.

<u>September 2004</u>

(d) Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran: Report by the Director General 1. On behalf of the NAM Chapter, I wish to express the Movement's appreciation to the Director General, Dr. Mohamed ElBaradei and the Secretariat for the report to the Board regarding the implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran, as contained in the document GOV/2004/60.

2. NAM recalls the previous findings of the Director General that there had been no evidence of diversion of the Iranian nuclear program for military purpose. The NAM Chapter notes that this report on Iran welcomed the additional information provided recently by Iran in response to the Agency's requests including the prompt provision by Iran of clarifications concerning its initial declaration pursuant to its Additional Protocol. It is also noted with satisfaction that Iran since the June Board Meeting, has further granted six complementary accesses.

3. In line with previous reports, NAM notes that in this report too, the Agency continues to make steady progress in understanding the Iranian nuclear programme. In this respect, NAM expects that this progressive development would assist the Agency in drawing definitive conclusions and confirming the correctness and completeness concerning Iran's declarations related to all aspects of its nuclear programme.

4. With respect to two aspects: laser enrichment activities and Iran's declared uranium conversion experiments, NAM notes that investigations have reached a point where further follow-up will be carried out as a routine safeguards implementation matter. This is a welcome development and clearly demonstrates that there is significant progress towards the final conclusion on the peaceful nature of the nuclear activities in Iran.

5. On the first of the two remaining issues, NAM notes with satisfaction that some progress has been made towards the origin of uranium contamination found at various locations in Iran and also ascertaining the source of the HEU contamination found. Further, NAM is gratified to note that from Agency's analysis to date, it appears plausible that the HEU contamination found at those locations may not have resulted from enrichment of uranium by Iran. In this regard also, NAM continues to support the Agency's efforts to resolve the remaining issue of LEU contamination. NAM also welcomes the cooperation of other States to help the Agency understand remaining aspects of this uranium contamination, and encourages the continuation of the cooperative effort. On the second issue of the extent of Iran's efforts to import, manufacture and use centrifuges of P-1 and P-2

design, NAM notes that the Agency has gained a better understanding of Iran's efforts relevant to both designs.

6. NAM appreciates that the Agency has been able to verify Iran's suspension of enrichment related activities at specific facilities and sites, and has been able to confirm that it has not observed, to date, any activities at those locations inconsistent with Iran's voluntary decision. In this context, NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes and recognizes that this voluntary gesture is a confidence building measure and temporary in nature, intended only to further facilitate a prompt closure of this Agenda Item.

7. NAM looks forward to the next report of the Director General and believes that issues should be resolved on technical grounds. To this end, NAM attaches paramount importance to reaching decisions of the Board through consensus to bring this issue to a prompt closure and its removal from the coming Board's Agenda, and achieve normalcy.

#### November 2004

# Item 4 (d): Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran: Report by the Director General (GOV/2004/83)

1. NAM is pleased to see the progressive resolution of outstanding issues between Iran and the Agency, in particular, since the last September Board Meeting. This positive trend was also demonstrated by successive previous reports of the Director General and is now further confirmed by this current report. (Paragraphs 106 and 107)

2. While NAM is conscious that the Agency is still assessing other aspects of Iran's past nuclear programme, it welcomes the fact that all the declared nuclear material in Iran has been accounted for, and such material is not diverted to prohibited activities. It is in this light that we further encourage Iran's continuous

cooperation in the implementation of its Safeguards Agreement and Additional Protocol. (Paragraphs 111 & 112)

3. There remain only two issues relevant to the Agency's investigation in order to provide further assurance that there are no undeclared enrichment activities in Iran. In this regard, NAM notes that the Agency has made steady progress towards their resolution, inter alia, with the assistance of third countries, and is confident of a closure of these issues in the near future. NAM notes that the Director General will continue to report to the Board, as appropriate. (Paragraph 108)

4. In this regard, NAM is encouraged that the Government of the Islamic Republic of Iran and the Governments of France, Germany and the United Kingdom, with the support of the High Representative of the European Union (E3/EU), reaffirm the commitments in the Tehran Agreed Statement of 21 October 2003 and have decided to move forward, building on that agreement as contained in the text of the Iran-EU Agreement dated 15 November 2004. We commend the role played by Member States to foster an environment of co-operation to find an amicable solution to this issue. In this regard, we invite other Member States to support and join all such efforts.

5. NAM welcomes the decision of Iran, to build further confidence, on a voluntary basis, to continue and extend the scope of its suspension to include all enrichment related and reprocessing activities. Nonetheless, NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes and recognizes that this voluntary gesture is a confidence building measure. We still have the view that any voluntary suspension should end when appropriate requirements are met.

6. NAM had sought in the September Meeting to separate the issues so that matters relating to confidence building measures are not transformed into legal safeguards obligations. To this end, we are grateful that every effort is made in this report to meet the NAM request as these two entities although interrelated are nevertheless, distinct sets of issues. NAM is confident that the Director General will also maintain the same distinction with regard to its verification afterwards.

7. NAM underscores the need for these issues to be resolved primarily on technical grounds. To this end, NAM attaches paramount importance to reaching decisions of the Board through consensus to bring this issue to a prompt closure and its removal from the coming Board's Agenda so that it is treated as a routine safeguards implementation matter. (Paragraph 107)

#### <u>MARCH 2005</u>

Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran

1-Turning now to another issue, NAM welcomes the fact that the introductory statement of the Director General now further confirms the positive trend on the implementation of the Safeguards Agreement in the Islamic Republic of Iran. NAM is pleased to see that as a result of full and proactive cooperation of Islamic Republic of Iran, a robust verification is now in place in Iran and the Agency's inspection activities appears to be unhindered and is working smoothly as a routine safeguards matter.

2- NAM welcomes that the voluntary, non-legally binding confidence building measure of Iran to suspend all enrichment related and reprocessing activities is fully verified by the Agency. Nonetheless, NAM reiterates the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes and recognizes that this voluntary gesture is a confidence building measure. We still have the view that any voluntary suspension should end when appropriate requirements are met. NAM re-emphasizes its position that it is fundamental to make a distinction between voluntary confidence building measures and legal safeguards obligations.

#### <u>June 2005</u>

#### Agenda Item 6: Nuclear Verification:

#### (e) Other Safeguards implementation issues

Statement on the Non-Aligned Movement (NAM) on Agenda Item 6(e): Other safeguards implementation issues:

1.NAM welcomes the fact that the introductory statement of the Director General once again confirms the positive trend on the implementation of the Safeguards Agreements in the Islamic Republic of Iran and that Iran has continued to facilitate Agency access to nuclear material and facilities under the Safeguards Agreement and its Additional Protocol that is voluntarily implemented as if Iran has ratified it. In this respect, NAM also takes note of the oral report of the Deputy Director General of Safeguards, Mr. Goldschmidt.

2.NAM is encouraged that with the co-operation of Iran and other states, the main key issue of the origin of the LEU and the HEU contamination may be concludes shortly. Other remaining questions are also expected to be resolved and concluded accordingly.

3.Substantive progress made in verification of Iran's nuclear program and activities for peaceful purposes, and clear prospects for concluding it within a short time, reaffirms the competence of the Agency to deal effectively with such matters. NAM reiterates its position, therefore, that this issue must be finalized and concluded solely within the IAEA framework.

4.NAM reiterates its position that the suspension of Iran's enrichment and reprocessing activities is a voluntary and non-legally binding confidence building measure, which is fully verified by the Agency. It has helped enhance confidence in Iran's nuclear fuel program and should not be interpreted in any manner that would inhibitor restrict inalienable rights of states for peaceful nuclear activities.

5.NAM takes note of the negotiations between the Government of the Islamic Republic of Iran and the Governments of France, Germany and the United Kingdom, with the support of the High Representative of the European Union (E3/EU), and remains confident that a mutually acceptable long-term agreement on the Iranian nuclear programme for peaceful purposes will be achieved through dialogue.

#### <u>August 2005</u>

1. I have the honour to make this statement on behalf of the Vienna Chapter of the Non-Aligned Movement (NAM).

2. In addressing the special session of the Board of Governors of the IAEA on the "Implementation of IAEA Safeguards in the Islamic Republic of Iran and related Board resolutions", NAM reiterates the basic and inalienable right of all member states to develop atomic energy for peaceful purposes.

3. While fully supporting the efforts towards non-proliferation of weapons of mass destruction, NAM maintains the principled position that non-proliferation and peaceful uses of nuclear technology should be addressed in a balanced and non-discriminatory manner.

4. NAM would like to emphasize that it is fundamental to make a clear distinction between legal obligations of member states to their respective safeguards agreements and their voluntary commitments, which is required to ensure that voluntary commitments of member states will not be turned into legal safeguards obligations. NAM is of the view that if these two issues are not clearly distinguished, it implies that member states could be penalized for not adhering to their voluntary commitments.

5. NAM recalls that the suspension of Iran's enrichment and reprocessing activities is a voluntary and non-legally binding confidence building measure and it should not be interpreted in any way as inhibiting or restricting the inalienable right of member states to develop atomic energy for peaceful purposes.

6. NAM commends the role played by Member States including E 3/EU to foster an environment of cooperation to find a mutually acceptable solution to this issue. In this regard, NAM appreciates all initiatives including that of South Africa.

7. Emphasizing the central role of the IAEA, NAM expresses its full confidence in the professionalism and impartiality of the IAEA led by Dr. Mohamed ElBaradei. In this regard, it strongly believes that all issues of safeguards and verification including that of Iran should be resolved solely within the framework of the IAEA and based on technical grounds.

8. NAM notes the substantive progress that was being made in resolving the outstanding issues on Iran and is optimistic that the few remaining questions should be resolved with the continued proactive cooperation of Iran with the IAEA. NAM is of the view that this special session of the Board of Governors at this juncture should contribute towards arriving at a fair and just solution consistent with the provisions of Iran's rights and obligations under the NPT safeguards agreement.

9. NAM believes that all problems should be resolved through dialogue and peaceful means, in this regard; it calls on E 3/EU and Iran to continue with their dialogue with a view to achieving a mutually acceptable long term agreement.

## Annex 3

#### Statement of Islamic Republic of Iran Board of Governors on <u>Pu Research Project</u> June 2005

Madam Chair,

I would like to recall previous communications and discussion in which the serious concerns of my Government regarding the leakage of highly confidential information to the media was raised. I also refer to the expression of similar concerns by other Member States in particular the member of the Non-aligned Movement.

Once again a highly confidential and technical information on Pu separation research project was released to a single member of the Board of Governors, facilitating the preparation of its detailed written speech and comments on various issues reflected in the DDG report, and leaked to western media, before the Deputy Director General 's oral presentation to the Board of Governors on 16 June 2005.

It is more discouraging that conclusion is made by partial quotation of the AEOI's communications, prior to the finalization of the analysis of the discs which Iran had sent to Vienna and prior to the technical discussion with the Iranian scientists.

As you may be aware the Department of Safeguards has already informed Iran that a team of Agency's inspectors is to travel to Tehran in two weeks in order to have thorough technical discussion in this respect.

Such hasty report and conclusion on purely technical sensitive matter has created confusion for not only the public but the diplomats at the Board of Governor, as we all observed on June 16 2005.

Had all communications and clarifications of the AEOI been thoroughly reviewed or presented, one could have easily noticed the route of incorrect conclusion or misunderstanding regarding the date of the termination of Pu production.

There is a clear distinction between the date of termination of the research project on Pu and the dates of the other activities such the ones related to purification and related waste management of the liquid, which is not considered as part of the main research project and any laboratory might do at a later convenient time. The AEOI has repeatedly informed the Agency that the research project was terminated in 1993.That is no more samples were sent for irradiation to the research reactor for the purpose of Pu production and subsequent Pu separation. This assertion is still valid since the other dates raised in the oral report are nothing to do with such process.

You are requested to make every effort for the protection of highly confidential information and the release of such information to media. The Secretariat is also expected to refrain from hasty and inconclusive reporting to Member States.

### Annex 4

# Iranian Statements at the meetings of the Board of Governors of the International Atomic Energy Agency

Form March 2003 to August 2005

# **March 2003**

#### In the name of God, the Compassionate, the Merciful

#### Madam Chairperson,

At the outset allow me to thank you for your diligent effort in the management of the Board of Governors and the Director General Dr. ElBaradei for his lucid, comprehensive, fair and balanced statement.

It is indeed very saddening to witness **a** looming, avoidable and an unwanted war to be shaping. Let's pray and nope that wisdom and prudence rather than authoritarianism and unilateralism prevails the world. This very sensitive and critical moment in the world affairs shall be a watershed in the formation of a new world order. We are, however, of the belief that truth and justice shall eventually emerge.

Madam Chairperson, before getting into my main statement, I initially wish to touch upon a few points raised by some of our colleagues. First and foremost, some of the statements were non-starter statements in the sense that they carried with them the concept of interference into the internal affaires of a Sovereign State - a state holding an independent, proud and a powerful nation - by issuing directives as to what it should and should not do. According to the principles of International Law no country in the world is permitted to compel, enforce or impose any legally binding instruments upon any other sovereign country. Secondly phrases such as nuclear secrecy \_\_\_\_ and other dubious phrases are imprudent to use, especially in the light of such development as Niger Scandal. Thirdly, pasting ones own unfounded concern to the concern of International Community is not a fair thing to do.

The unfortunate result of such transmittance will be the fatal mistake of the illusion that the so called Coalition of the Willing is - of course wrongly- the International Community.

Madam Chairperson,

Iran being a signatory of the NPT and other important international conventions such as CWC, BWC, CTBT, etc, has always been a faithful and a responsible member and has persistently ushered in its commitment by maintaining its close, cordial and honest cooperation with the relevant international agencies such as the IAEA. Unlike some distinct others, we have never challenged any of these international conventions. We did not

block the strengthening of the BWC. We never undermined the CWC. We did not reject CTBT. We did not ignore the Kyoto protocol forget the unilateral withdrawal from the ABM and let alone the adoption of the Nuclear Posture Review. In fact we seek our security in the security of the International Community and not the other way round. For example we are distinct from those who uphold the international norms as long as it suits their mere interest best.

The I.R. of Iran as a victim of weapons of mass destruction has engaged actively in combating the menace of all weapons of mass destruction including nuclear weapons. We are the only victims of the WMD in the last generation. Thanks to the generosity of the suppliers of such appalling weapons. Those who endorsed the use of such weapons then, because they were used in accordance with their interest are now waging a devastating war using those same weapons as an excuse. Those who turned their eyes when the Halabja massacre erupted arc now shedding their tears to no avail. Please refer to Herald Tribune, Friday Jan 17,2003 p. 8 and I quote "... Iran rushed western reporters to the blighted town...". In response the United States launched the "Iran too" gambit...". We ardently hope that the fabrication of another gambit is stopped, before it is too late.

The Iranian people have deeply felt the horror of these weapons and are determined to ensure that no other people will have to go through the same agony. We intend to pursue this objective by advocating and promoting a world free from all such inhuman weapons and for nearly over two decades, this fact has vividly been reflected in our constant call for the establishment of Nuclear Weapons Free Zone in the Middle East Only one well known country in the region, however- as the non-adherent party to the NPT- has so my country had no other choice but to settle on two possible paths to that end namely, the heavy water and uranium enrichment paths. Tliis has been the only natural course that has been pursued by all other countries that have successfully developed their indigenous nuclear technology. If the average size of a nuclear reactor is taken to be about 300 Mwe the right size for my country that would mean that Iran would have to construct about 20 reactors over the next 2 decades. We should also bear in mind that Light Water Reactors and Heavy Water Reactors are real contenders. There are many countries that enjoy having both types of these reactors. It is also very clear that the future expansion in the use of nuclear power will depend to a large extent on the continued innovation in reactor and fuel cycle technology.

#### Madam Chairperson,

Just as a reminder, it is worth noting that my country's current electrical production is above 30000 Mwe, the highest in the Middle East, and its percentage annual growth is among the highest in the world about 10% per year. It is also useful to inform the board that in the mid seventies a thorough 20 Year Socio-Economic Plan was drafted by a prestigious American company called the Stanford Research Institute (SRI). In that detailed and scientific study a recommendation was made to the effect that the country should construct over 20000 Mwe of nuclear power plants in a span of 20 years. I presume that my colleagues, here, in the Board are very well aware that oil and natural gas are not commodities to be recently discovered in my country. In fact Iran was the first country in the region (the Middle East) in which, oil was explored and extracted (1907). The essential question before us now is which recommendation and advise are we to listen to; the one put forth by the American scientist to construct about 20000 Mwe of nuclear power plants or the non-scientific, political motivated, biased and interfering type of remarks made by Their diplomats and politicians that since Iran is rich in oil resources, it therefore needs not to have nuclear power plants, I ask; does the same advise apply to some other fossil fuel rich countries such as the US itself with over 100 nuclear power plants, Russia, UK, Mexico, Canada, etc.

Indeed it is a well-established technical and economic fact that the best use that a country like mine can make out of its uranium ores is to replace oil as a source of primary energy. It is worth noting that the population of my country is about 70 million plus about 3 million Afghan and Iraqi refuges. far not been cooperative in this regard. I ask: how does one explain the prevalent double standard in this regard. One country defies the world and remains safe and the other is fully compliant and remains under implicit threat.

#### Madam Chairperson,

Dr. El Baradei's first visit as DG to my country was made in the year 2000, during which he visited Esfahan's nuclear site and was officially informed about the intention of my country in undertaking certain activities in the field of nuclear fuel cycle technology and construction of their facilities such as the Uranium Conversion Facility (UCF). Although my country then had not yet adhered to the Subsidiary Arrangement, nevertheless it had willingly put that important project under the IAEA safeguard inspection. This attitude of vivid selftransparency was a sign of good faith welcome by IAEA. As a reminder it is worth nothing that modified Subsidiary Arrangement requires the submission of Early Design Information Questionnaire for new facilities, while the elder one required the country to submit the completed Agency Design Information Questionnaire 180 days before the facility is scheduled to receive nuclear material for the first time, This rule has been observed in the case of the enrichment facility in Natanz. Therefore there has been nothing secret and no rule violated.

Moreover in the month of June 2002 we reasserted to the Secretariat the country's involvement in other areas of fuel cycle to serve as basis of technical and material support and also as a secured source of fuel for the 6000 Mwe nuclear power plants to be constructed within a period of 20 years. Later in the 46<sup>th</sup> General Conference of the IAEA, our head of atomic energy organization announced and I quote: " Iran is embarking on a long -term plan, based on the merits of energy mix, to construct nuclear power plants with a total capacity of 6000 Mwe within two decades. Naturally, such a sizeable project entails with it an all out planning well in advanced in various fields of nuclear technology such as fuel cycle, safety and waste management. I take this opportunity to invite all the technologically advanced member states to participate in my country's ambitious plan for the construction of nuclear power plants and the associated technologies such as fuel cycle, safety and waste management techniques."

Following these directives my country set out to its lonely pursuit of indigenous nuclear technology. Because of the imposed ban and sanction,

The total oil output of the country is about 4 million barrels per day and the internal consumption is about 2 million compared to 600000 barrels per day before the revolution, i.e. 25 years ago. The country's oil export is about 2 million, almost equivalent to the production of each of the tiny Persian Gulf states with less than 1 to a maximum few million population. It is predicted that within 2 decades from now almost most of our oil production will be consumed internally and as a result nothing tangible will be left for export.

#### Madam Chairperson,

At this juncture, I take the opportunity to announce that His Excellency Mr. Aghazadeh, the Vice President of the Islamic Republic and head of the Atomic Energy Organization of Iran will be here in early May to give a comprehensive presentation of my country's peaceful and transparent nuclear activities.

Madam Chairperson,

Upon an invitation extended to Dr. ElBaradei to visit the fuel cycle facilities in Iran, he made his 2<sup>nd</sup> trip in February 21<sup>s</sup> this year. During this trip he visited the Natanz enrichment site and had a constructive and fruitful meeting with our president Mr. Khatami. Following his trip, a team of inspectors went to Iran and began to draw up the relevant upcoming safeguard processes and to settle, if any, outstanding safeguard issues.

Madam Chairperson, I would like to reiterate over again that complete transparency of my country's nuclear activities is a serious commitment endorsed by my government. One of the very positive outcomes of Dr. ElBaradei's visit to Iran was the acceptance by my government to concur with the Modified Subsidiary Arrangement. Moreover, as expressed in the past, my government has repeatedly and explicitly made it clear that it looks at the additional protocol with a positive view and that it also gives it the needed consideration and has always expressed its readiness to enter into serious negotiations with the relevant parties. Furthermore, as a sign of our sincere commitment to non-proliferation, we have already approached -since month of September, that is about 7 months ago - the NSG and have requested their expertise and experience in drafting our National Export Control Regulations. Last but not least, we hope that emphasis on the Additional Protocol shall in no way reduce the viability of the current effective Comprehensive Safeguard Regime.

Finally, Madam Chairperson, allow me to briefly recount an incident. It was in the year 2000 when I was invited to give a presentation - to a selected audience — at the University of Colombia in New York. After my presentation a member of the Japanese delegation raised the issue of the signing of the Additional Protocol by Iran. After his comment an American gentleman named Mr. McCormack who now happens to be the US National Security Council spokesman, stated very explicitly "that even if the Iranian government signs the additional protocol a hundred times, we will continue with our pressure on Iran until we reach a political detente and then we will offer them two of our most beautiful reactors". In this regard another outright statement is made by Mr. Sokolski \_ a US Defense Department official in the first Bush administration \_ he has said "whether there is an economic rationale doesn't matter."

If there is anything to be appreciated, about the American diplomacy it is this element of openness and of being unequivocal and this fact probably stems from the legend that" Might makes Right".

Thank you

### **June 2003**

#### IN THE NAME OF GOD, THE BENEFICENT, THE MERCIFUL

Thank you, Madame Chairperson

Allow me at the outset to sincerely thank the Director-General and the DDG's Dr. Cetto and Dr. Goldschmidt for their introductory statements. Due to the specificity of this Board Session with regards to my country, allow me, Madame Chairperson – coming from a land boastful of its culture and heritage – to resort to some poetry and words of wisdom, emanating from our prominent world known poets such as Rumi and Hafez, that normally convey a world of meaning in such concise manner – pardon me for the inapt translation:

Indeed the state of your eyes allured war We were wrong in perceiving peace in them

*Oh eye, remember, I had a thousand wisdom and sanity But now that I am under an illusion, prudence is <u>not to be sane.</u>* 

I sincerely hope, Madame Chairperson that under your able leadership, diplomatic skills and experience the Board takes the right course and is steered in the proper direction. Our goal is to get to a destination that is aimed by all and therefore any attempt made otherwise shall certainly not be conducive to the ultimate resolution of the issue at hand.

I would like to express our deep gratitude to the members of Non-Aligned Movement (NAM) for their solidarity, constructive and fruitful deliberations and rendering support to my country. I should also thank His Excellency Ambassador Haniff, Chairman of NAM in Vienna, for delivering the statement on behalf of the NAM members. Allow me at this point to refer to the report GOV/2003/40. Let me start by a friendly criticism of the way the report was drafted and disseminated. The report has an apparent factual format, but our assessment is that the report could have been crafted in a more partial, fair and balanced manner. Given the political rhetoric in the past few months and the early and awkward directives issued at certain influential capitals on the form, the content and the final conclusion and judgment of the report, one has no other choice but to be realistic and be satisfied with what is at hand – namely the report in front of us. There is still a point of hope holding that not all international organizations have yet come at the stage of total submission.

#### Madame Chairperson,

It was indeed not very appeasing to see a restricted report to be almost thoroughly discussed in CNN the day it was released. Here, I humbly implore all my colleagues in this room to be more vigilant about the possible unendorsed circulation of restricted reports in the future, so as not inadvertently harm the security interests and rights of any of the Member States. Moreover according to article 5 of Model Safeguards Agreement INFCIRC/153 and article 5, part 2 of item b of INFCIRC/214, summarized information on nuclear material subject to safeguards may only be published upon decision of the Board if the states directly concerned agree thereto. To the best of my knowledge neither my state nor any a priori Board decision has authorized the revelation of the content of this report. Of course, I didn't raise this as a point of contention, but only to stress more watchfulness about, God forbid, similar cases that might pop up in future.

#### Madame Chairperson,

The crux of the report in front of us deals only with a small amount of 0.13 effective kilogram of natural uranium that we imported in 1991. The material is to be used for the various testing of the different processes involved in our Uranium Conversion Facility (UCF). To remind the Board, this facility has been under the Safeguards Agreement ever since the actual construction of the facility started and that is before my country accepted the Modified Subsidiary Arrangement – a vivid display of my country's transparency and openness.

Despite the subtle differences in the interpretation of articles 95 and 34 of INFCIRC/214, nevertheless my country declared the material to the Agency and it is now under its full safeguards. Assuming we admit the negligence in delayed

declaration of this small amount of nuclear material (in other words 0.13 effective kg of uranium) that is far below the inspection thresholds of the Agency (i.e. eight kg of Pu; eight kg of U-233; twenty-five kg of U-235), how one can then explain the following list of essential failures in the SIR 2002, GOV/2003/35.

- 1- Page 56 paragraph 187- Of the remaining 357 facilities with 1 SQ or more of nuclear material evaluated for 2002, 34 facilities (10%) in 15 states failed to fully attain the quantity component of the inspection goal; and 32 facilities (9%) in 15 states failed to fully attain the timeliness component.
- 2- <u>Page 59 paragraph 198</u>- At six facilities, the quantity component of the inspection goal has not been attained for several years because the measures foreseen in safeguards approaches could not be implemented.
- 3- <u>Page 60 paragraph 205</u> At six LWRs (seven in 2001), the quantity or timeliness components of the inspection goal couldn't be attained because spent fuel had been loaded into casks for shipment and was therefore unavailable for verification during inspections.
- 4- The transfer of uranium shielded ammunition into a country in hundreds of kilograms; have they been reported to the Agency's Safeguards either by the country of their origin or by the receiving country in this case, namely Iraq?

The SIR 2002 report clearly shows that hardly any Member State can claim to be impeccable. However, an important trait to seek here is the willingness of the Member States to rectify their possible failure. If indeed our collective purpose is to settle issues and to not turn them into international problems with far reaching repercussions, then we should wisely join in all our forces to avoid the practice of double standards – a practice normally emanating from political motivation.

#### Madame Chairperson,

To save you of other questions, could I only and humbly ask the merit of the open question  $\underline{d}$  on page 8 of the report? Is there any legal obligation on the part of any Member State to come up with justification on any of its peaceful nuclear activities? Or is it that it is only required of it to report the activities to the Agency and abide by its commitments within the framework of its Safeguards Agreement? Is not the acquirement of peaceful nuclear technology- within the framework of the NPT- the inalienable right of all Member States?

Allow me, Madame Chairperson, within the Vienna spirit, which is the spirit of understanding and cooperation, state my country's principle positions as stated by our Vice President His Excellency Mr. Aghazadeh here at the Agency headquarter in May, 2003 and my own personal convictions.

The Islamic Republic of Iran has fulfilled its obligations under all provisions of the NPT. Iran's position, of denouncing the nuclear option, as a matter of principle, and placing its peaceful nuclear facilities under the full-scope Safeguards Agreement, is a clear manifestation of our commitment to a strong NPT. Iran considers the acquiring, development and use of nuclear weapons inhuman, immoral, illegal and against its very basic principles. They have no place in Iran's Defence doctrine. They do not add to Iran's security nor do they help rid the Middle East of weapons of mass destruction, which is in Iran's supreme interests.

The Islamic Republic of Iran believes that all provisions of the NPT are of equal importance. Maintaining the balance of the "rights and obligations" enshrined in the treaty, preserves its integrity, enhances its credibility and encourages both NPT's universality and its full implementation.

Iranians know that more capability necessarily prompts more responsibility. We would prove that accountability is part and parcel of our quest for full nuclear technology for peaceful purposes. We are enforcing our national laws and regulations on the control of nuclear and radioactive material and equipments. We welcome any constructive interaction with other parties including the Nuclear Supplier Group (NSG).

Madame Chairperson,

Many of my colleagues here and the Secretariat are well aware that ever since I started my mission here in Vienna, I have all along done my best to promote the level of cooperation between my country and the Agency and keep the process unhindered and ongoing. Clearly, confidence building requires its own tools and means, one of which is the acknowledgement of each other's signs of cooperation and sincere intentions and the other is the use of the right language for dialogue. The language of force and threat will be futile and not conducive to the final achievement of our common goal. I ardently hope that the Board takes this essential fact into consideration.

In conclusion, Madame Chairperson, my delegation hopes that rational clarification of points of fact pervade. We wish to reiterate once again that promotion of cooperation and confidence building are best addressed amicably and in an environment of peace. And in this vain, we would like to state over again our positive consideration of the additional protocol. Certainly, the positive outcome of this session will be conducive towards the settlement of this issue. And finally, Madame Chairperson, we are all here to succeed and not to fail.

Thank you.

### September 2003

#### In the name of God

#### Statement of the Islamic Republic of Iran to the Board of Governor September 2003

Allow me at the outset, Madame Chairperson to express our deepest dismay and sorrow at the recent serial bomb attacks of the UN Headquarter and of the Imam Ali Holy shrine in Najaf Al-Sharif. We express our sincere condolences and deepest sympathy to the bereaved families. We condemn such appalling attacks and call upon the international community to look carefully into the causes and the roots of such barbaric acts of terrorism, with a mission to uproot and eradicate them.

To continue, allow me, Madame Chairperson to thank the Director General and the DDGs Tanagushi, Burkart and mourogov for their comprehensive introductory statements.

It has become an established fact, even based on the findings of the report GOV/2003/63 that my country Iran has by leaps and bounds provided enormous amount of detailed information about its peaceful nuclear activities and has granted access requested by the Agency to additional locations and taking associated environmental samples. Such noticeable level of co-operations as could be admitted by any fair person has been certainly beyond the legal obligation of my country. Indeed, it is tantamount to provisional application of the additional protocol in my country. All this has been achieved in the light of our willingness to remove the legitimate concerns of the international community and as a sign of respect to the conclusion statement of the Chairman in the June Board. Therefore we stay committed to the tradition of consensus in the Board and do our utmost to uphold its sanctity. Any invocation of trends not conducive to the integrity of this basic norm, would eventually lead to undesired consequences.

My delegation Madame Chairperson is of the view that we should all pull in the same direction to maintain the unity of the Board and as a result to facilitate the work of the Secretariat in achieving its objectives, i.e. we should do our best to increase the authority of the DG and not to decrease it. We should give him all the space he needs to perform his responsibilities fairly and objectively. The case of Iran, Madame Chairperson is a matter still incomplete. All the relevant parties must keep the running process ongoing. Any attempt to hinder the process is certainly not welcome. Encouragement and fair recognition of cooperation would accelerate the trend. Wrong signals and unpalatable prescriptions will likely undo what has been achieved so far.

As it has been seen and noticed from the media, there has been an intensifying heated debate about the issues on hand inside my country. We are at a decisive crossroad and I very much hope that with each other's help we make the right and the desired turn. We have to be careful not to give the impression that you get more through defiance. We are always faced by interrogative questions as what rewards has Iran received by its unprecedented high level of cooperation with the Agency other than receiving more nags from few influential member states.

As I had stated in the previous Board the use of the language of threat is futile. Iran is a committed state. Iran has consistently honored its obligations stemming from the international treaties that it has adhered to.

Iran is a responsible state and has demonstrated that during the imposed war. Despite its retaliatory capabilities Iran never succumbed to reprisal and therefore never used the appalling chemical weapon.

We look at the NPT as the protector of our rights to the peaceful use of nuclear technology. We likewise fully understand our obligations and stay faithful to them. If a country's right is baselessly denied and its obligations emphasized, that certainly would undermine its accession to the treaty. We would like to see the integrity of such international treaties held firm. We don't wish to see any cracks inflicted. We believe such treaties are important for international peace. We don't like to see such treaties weakened. Those who seek to exert pressure on us should play their game cautiously and prudently. Undue pressures and isolations may likely lead into unexpected reactions.

The latest report of the Director General of the IAEA (28 August 2003) confirms our stated transparency and full cooperation to help clarify the remaining questions. Iran has provided all the information requested by the IAEA, offered access to requested sites and allowed environmental sampling. Iran has indeed voluntarily implemented provisions of the Additional Protocol since some information submitted during last six months and the accesses granted, samples

taken are beyond our present obligation under the safeguards agreements (INFCIRC/153)

The continuation of the full cooperation with the IAEA depends essentially on avoiding politicization of the situation. President Khatami is doing his utmost to ensure that this positive process is sustained. We need your support in maintaining a helpful international climate so that we will be able to convince our public opinion that our course of action is the correct course and will lead to results.

The report is provisional. It is non-conclusive because it awaits further exchanges with the IAEA and test results and analysis of the information. It is advisable to move through this IAEA Session with a procedural statement so that there will be sufficient time and proper environment to conclude these matters with the IAEA and achieve satisfactory results.

We will try to come to conclusion on our negotiations over the Protocol with the IAEA. What will help us tremendously is if we can find ways to reassure the authorities and the public here that there will not be intrusion into unrelated matters and places and attempts to undermine our integrity.

According to the provisions of the NPT, each state party has inalienable right for peaceful use of nuclear energy. The right and obligation need to be balanced.

Being under severe unjustified sanctions on the one hand and following a policy of moving towards transparency beyond our safeguard obligations on the other, left us no choice other than taking every cautionary measure to build necessary domestic consensus to make our cooperation with the Agency an irreversible path.

As far as the enrichment activities are concerned we do notice that it has caused some ambiguities. We reiterate in this respect that we are fully prepared to take remedial action wherever necessary and we will not hesitate to discuss and agree on such actions with the IAEA when the time comes. We are prepared to do what is necessary to assure that our peaceful program and our enrichment activity will remain peaceful.

We reiterate that our commitment for full cooperation with the IAEA is firm and solid. We need to work together that this commitment will not have to be overturned under public pressure. At this stage, it is important to maintain consensus at this Board meeting and avoid unhealthy political moves. We all have to try to keep the technical issues under the consideration by the IAEA to be kept in this Agency, which is the sole relevant international body. We will continue to keep interested states well informed and updated and hope to continue to benefit from a fruitful consultations.

Politicizing the technical issue of nuclear activities of Iran has created an environment that some political factions, parliamentarians and intellectuals have expressed concerns about acceptance of additional obligations under the protocol and raised the issue of the withdrawal from the NPT.

We appreciate that the agency's focus of safeguards activities in Iran has always remained on core issues with a manifestation of respect of its safeguards obligation to the Agency under NPT and its sovereignty and in this regard we have so far never seen any indulgence in extraneous matters which are outside the purview of Iran's NPT obligations and Agency's mandate.

Finally, Madame Chairperson my delegation would like to sincerely thank the NAM member states for their vivid support.

Thank you Madame Chairperson.

### **September 2003 after Resolution**

#### 12 September 2003

Madam Chairperson,

The debate on this issue revealed two distinctly contrasting views. One attempts to circumvent the IAEA and issue an express ticket to the Security Council; and the other-- the clearly prevailing view, though not necessarily dominating, seeks to sustain the process and allow the Agency to run its course and discharge its responsibilities withstanding political bullying. I believe the Director General summed up the debate in succinct and compelling terms. I may be paraphrasing, but the main points of that summary included, as I recall, that:

- The issue is important and needs to be cleared;
- The approach is technical and should remain technical;
- Expectation to resolve the matter soon is justified but the Agency should be allowed to exhaust its course;
- Failures do happen. But the important thing is to remedy them and ensure that all activities are under the safeguards;
- A negative conclusion on the ability of the Agency to verify the situation harms the safeguard;
- The reaction of the Board, in form and substance, should reflect the Collective view of the entire membership.
- And above all, there should not be any jumping to conclusions or jumping the gun;

The message is clear. The Agency is doing its job... it can and if given enough chance it will arrive at conclusions... the process may have been slow but it is speeding up... there may be deficiencies and discrepancies but they can be remedied... and they should be allowed to be remedied...Process should be

sustained...confidence enhanced... and results achieved... as otherwise all involved, including the Agency, would be at loss.

This Body engages, rarely and exceptionally, in political dialog. The debate here, alas, has rapidly evolved into one such exception. Despite my deep personal distaste for political talk, I find it now inevitable to address the misconceptions and convolutions that lie behind some hawkish perceptions.

It was stated here yesterday, by a few Governors, that time is up, that there should be a final ultimatum, a last resort, a last chance to wrap up, pack up and leave. A call that hinges again on propped up propositions of absolute urgency, entailing palpably, the now familiar and troubling presumption of "imminent and clear danger". As though the current scandal is not enough, Governments are being told now in private that Iran will be a nuclear threat in six months... and hence the rush to turn a safeguard issue into one of international security.

Fine! Every State can draw up and perceive threats, real or imaginary, **as they wish...** They may also build up hoopla around such perceptions and elevate them to the level of highest international priority, **as they can...** They can spin the facts, deceive and lie, **as they want...** They are even able to wield massive power to crush the conceived culprit, **as they do.** But what then?

There is no surprise, of course, to hear such roar from the United States. At present, nothing pervades their appetite for vengeance short of confrontation and war.

It is no secret that the current US Administration, or at least its influential circle, entertains the idea of invasion of yet another territory, as they aim to re-engineer and re-shape the entire Middle East region. This hard drive towards extremism of action from them, therefore, is but plainly expected. What surprises us, on the other hand, is to see some others, such as Canada, which is known for its principled stance on international issues, to stain its credibility.

I cannot but recall Canada's passionate urge to prompt NPT's indefinite extension. Canada went on record underscoring the balance of rights and responsibilities. Canada emphasized on the requirement to implement all undertakings, inclusive specifically of those related to peaceful use, as captured and approved already in contractual terms, by all States Parties. It is bewildering to witness now the stubborn silence on rights, on the one hand, and over-stretched stress on beefed-up responsibilities, on the other. Gone is the sense of balance that depicts logic and wisdom.

At this stage, it seems that it is best to extend the precept of transparency and put all the cards openly on the table.

A Draft Resolution has been tabled initially by three sponsors, followed by additional co-sponsors who routinely join the orchestration on the premise of their tradition and institutional commitment to maintaining unanimity. To express and establish a contrasting view, regardless of validity of its substance and merit, against this block is an awesome task ... nearly an impossible task. And the power of automatic majority has been exercised to the fullest for this decision. With minor, primarily cosmetic changes, the draft has now been re-introduced by Canada, Australia and Japan. The approach, structure, substance, language and venom have remained the same.

It has been argued that the draft resonates the Agency's account of the situation. Wrong. Dead wrong. The Agency begs for sustaining the process, for keeping the matter here in Vienna, for encouraging further cooperation, for ensuring compliance, for avoiding New York except if the whole structure crumbles, as fractures have their remedies here. The Draft, on the other hand, thrives for quick impasse, for fast pass to the Security Council, for breaking the process, for undoing cooperation, for fabricating a hasty ruling of non-compliance.

We have been told by some proponents of the move that they have bestowed the ultimate benevolence delaying the crunch for 45 days... some 360 working hours... to chew up every item on the flashy menu of to-do list. It is evident that even if everything on the list was edible, the whole lot could not be consumed and digested by us and by the Agency in such a short time. This prescription is clearly designed for not being filled.

When presenting the list, which went way beyond obligations under the safeguards, and even beyond the Additional Protocol, the distinguished Governor of the United

Kingdom was elegantly ardent to repeat after spelling out every single demand: **"BUT THIS IS NOT ENOUGH".** I myself observed and absorbed at least five so catchy a phrase, and waited impatiently to hear, at the end of the ritual, at least a minimal indication of final satisfaction. Not meant to be... The long list appeared, in the end, to be open-ended. I indulge the Distinguished Governors of Canada, Australia and Japan, who now represent the list, to take the floor now, and tell us in clear terms, that even if the entire list was carried through and implemented in earnest...shall it suffice, at long last, to make Iran eligible to enjoy its inalienable right to peaceful nuclear activity without hindrance and impediment? Shall it?

The question is really not posed as polemic. It is a question that, if replied in clear terms, will serve as the key to unraveling this predicament, once and for all.

For the last twenty four years, Iran has been subject to the most severe series of sanctions and export restrictions on material and technology for peaceful nuclear technology. So our peaceful program had no choice but to become discreet. Our obligations had to be observed, while the slightest means to procure and produce our needs were chased rigorously and suppressed violently. No perceivable break was spared, no hole untapped, to ascertain full and complete deprivation of Iran from pursuing its peaceful program. The hunt goes on unabated today.

If cooperation has been slow, at times,... if there have been few incidence of discrepancies,... if there have been hesitations to adhere to the Protocol,...or to embrace confidence building initiatives, it is all out of one and only one concern. The U.S. intention behind this saga is nothing but to make this deprivation final and eternal.

Is any of the sponsors willing or prepared to offer the slightest assurance that the process has an end to it and that Iran will be freed from the shackles of unbridled restrictions. If so, please come forward, offer this key and resolve this issue for good. Alas, there is none.

We reject the ultimatum in this draft. The United States has remained adamant on sustaining the self proclaimed deadline despite appeals by a large number of Governors, including some of the co-sponsors, to drop it. This is music to the unilateralists' ears, but spells disaster for the Agency.

Among those who have pursued and produced nuclear weapons, outside The Five, Israel gets away with murder. It is pampered instead of being chastised...

Iran, in this midst, has stressed sternly and insistently that it has no intention whatsoever to pursue nuclear weapons, that it only yearns for peaceful capability, that it is ready and prepared to fulfill all its obligations under the Safeguards...and adopt additional obligations if it is protected against mal-intentions and abuse, that it will make every effort to take remedial measures wherever required, that it will remain transparent and maintain all its activities under the safeguards, that it intends to leave no stone unturned to further assure the Agency of its peaceful objectives, that it is a fervent subscriber to the NPT, a loyal Party to it and a staunch promoter of the Middle East as a nuclear weapon free zone.

This Draft targets the very core of our commitments and the current course of everaccelerating cooperation. Its adoption, without the minor, but essential changes in the text, can kill an otherwise constructive process. We will have no choice but to have a deep review of our existing level and extent of engagement with the Agency vis-à-vis this resolution.

Madam Chairperson,

I request that my remarks be reflected in the records of the decision to be made on this draft resolution. My delegation wishes to have no part in this process or in this resolution. We reject, in the strongest terms, this resolution. I spare the Board of Governors, more than ten amendments which I could have otherwise put to the vote.

I wish to thank the Chairperson, the Troika and each and every member of NAM for the support they provided and amendments made to this draft resolution to move the process forward and to uphold the authority and integrity of the Agency. Unfortunately, the sponsors of the draft reacted in total disregard for principles of multilateralism and did not entertain our amendments. I reject both the process and this resolution and I leave this room in protest.

# November 2003

In the Name of Allah, the Compassionate, the Merciful

Mr. Chairman,

Distinguished Colleagues,

My delegation views the resolution adopted today with a strong sense of realism and at the same time with mixed feelings. On the one hand, we note that the tone and content of some paragraphs are influenced more by the politics of the past twenty four years and less by the facts that Iran reported to the Agency and were reflected in the Director-Generals' Report. For the very same reason, the most important conclusion of the report, that is "to date, there is no evidence that the previously undeclared nuclear material and activities... were related to a nuclear weapon program", was not incorporated in the resolution. On the other hand, we note that the unflinching attempts to create a crisis about Iran's peaceful nuclear program were offset by this resolution.

This resolution is a selective reflection of the Director-General's report; a report which my delegation along with the US and the Australian delegations did not like. Unlike the US or the Australian delegations and perhaps a couple of others, we did not like the Director-General's report not because we contested the facts and the conclusions of the report, or because we wanted to teach the Agency and its officials how to do their jobs. We did not think that the report was in part, "very questionable," or "more than unfortunate," because our academic experts did not like some of the report's conclusions. Rather, we were unhappy with the report because we thought that by focusing disproportionately on the past, the report was redundant in many ways and did not fully and distinctly reflect the turn of policy and action in Iran on the 21<sup>st</sup> of October.

The distinguished Ambassador of Japan pointed out that his country was the only victim of the use of nuclear weapons. This is an important historical fact that we **all** need to constantly bear in mind.

Given Japan's victimization by nuclear weapon, Japan's influence, economic prosperity and tranquility over the last two or three decades, the question is whether the mode of operation of the Agency has yet enabled it to conclude that Japan's nuclear program is exclusively for peaceful purposes. The answer – to the best of

my knowledge-- is no. Therefore, to imply that the absence of that conclusion by the Agency about Iran's nuclear program, particularly at this early juncture, is technically significant is, in my view, less than objective and genuine.

#### Mr. Chairman,

Iran's commitment to non-proliferation of nuclear weapons is quite solid and it lies not only in its contractual obligations based on strategic defense doctrine, but also in the precepts of our faith.

We are determined to continue to work closely and actively with the Agency to resolve all outstanding issues on the basis of the provisions of the Additional Protocol. We do look forward to enhancing international confidence and to promoting international cooperation in the field of nuclear technology in accordance with the NPT.

Our peaceful nuclear program, together with our failures to report our scientific experiments in the nuclear field, must be seen in the proper context of post-revolution domestic management and international politics. We, in Iran, had the courage to volunteer the information and admit that we failed to report what should have been reported to the Agency on the basis of our Safeguards Agreement. That is why I said in the beginning that we view this resolution with a strong sense of realism.

It is important to note that our unreported experiments were not illegal *per se*; they were all legitimate and benign scientific experiments of all kinds. The fact that we did not report and declare them was a failure. We have demonstrated our sense of responsibility for our failures by taking remedial measures and will continue to do so in full cooperation with the Agency.

Without attempting to shirk responsibility, I must say that in our discussions with many delegations here in the Board, there is a great deal of understanding for the dynamics of imposed restrictions that lie beneath this failure. Given the scope and severity of the ever-expanding illegal restrictions on Iran's access to nuclear technology, and other technologies for that matter, over the last quarter of a century, was Iran expected to forego its inalienable right altogether? Would any country on this Board have? The statements made here in this Board are a good illustration of the fact that non-proliferation regimes are two way streets where balance should be forged between the rights and responsibilities of each and every signatory.

The fact that Iran has remained loyal to the NPT and the objectives of the safeguards, despite its unwarranted deprivation from its fundamental right, demonstrates the depth of its commitment to nuclear non-proliferation. It is hard to perceive that any other Member, facing similar restrictions, would have sustained unreserved commitment to the Treaty.

Allow me, Mr. Chairman, to make some concluding observations.

1- We have gone to unprecedented length in trying to secure the trust and winning the confidence of the international community by disclosing all our past peaceful nuclear activities and also declaring our willingness to sign the Additional Protocol. We expect that these essential steps will be reciprocated by ending all distortions about Iran's nuclear program and restrictions against its full access to nuclear technology for peaceful purposes and lead to recognition of our peaceful nuclear capabilities through relevant international frameworks.

2- The independence and the objectivity of the Agency have to remain intact, so that it could discharge its responsibilities and functions in the fields of verification and promotional activities in peaceful nuclear technology.

3- For over two decades, Iran has been subject to one of the most severe series of illegal sanctions on material and technology for peaceful nuclear activities. As a result, our legal and peaceful nuclear program had no choice but to become discreet. While our obligations had to be observed, the slightest means to procure and produce our needs were, however, chased vigorously and suppressed violently.

4- One of the shortcomings in our Atomic Energy Organization, until few years ago, was the lack of the safeguards control and accountancy management. This has been one of the major reasons as to why the results of some of the lab scale research experiments were reported in the international journals while they were not reported to the Agency.

Mr. Chairman,

I spare you a lengthy exposé of our position, which is elaborated in a paper on why our nuclear program is exclusively for peaceful purposes. That paper is being made available to the Secretariat for circulation. I request that this statement and the exposé be reflected in the official records of this meeting and be circulated as an official document.

Thank You Mr. Chairman.

#### Paper distributed after the statement

In the name of God, the Compassionate the Merciful

## Why Iran's Nuclear Program is Exclusively Peaceful

#### **Fundamental Principles**

The objectives of the International Atomic Energy Agency (IAEA), as set out in Article II of its Statute, include the following: *"The Agency shall seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world."* This objective emanates from an important pillar of the non-proliferation regime, enshrined in legally binding provisions of the Non-Proliferation Treaty. In accordance with Article IV of the NPT, States Parties undertook to facilitate the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy. Indeed, the inalienable right of all States Parties to nuclear technology for peaceful purposes without discrimination constitutes the very foundation of the Treaty. This right emanates from two broader propositions.

- 1. Scientific and technological achievements are the common heritage of humanity. They must be used for the improvement of the human condition. The IAEA, in its resolution GC (43) RES/14 of 1 October 1999, has recognized that "many countries consider nuclear power, being a climatically benign source of energy, to be an eligible option under the Clean Development Mechanism of the Kyoto Protocol."
- 2. The requisite balance between rights and obligations is the basis of any sound legal instrument. This balance guarantees the longevity of the legal regime by providing incentives for membership and compliance. The provisions of the NPT and the IAEA Statute on the right to nuclear technology as well as the imperative of cooperation and sharing of the technology among those who have accepted the obligations of non-proliferation have been considered essential, during Treaty negotiations, in order to establish and maintain validity and viability of the NPT.

The NPT Members have remained guarded, as evidenced by their deliberations on NPT indefinite extension against the impression that membership in the NPT and the IAEA safeguard regime continue to entail impediments for peaceful use while non-membership is rewarded by impunity and acquiescence or, in certain specific cases, unwavering support.

## Iran's Non-Proliferation Stance

- Iran has been a fervent advocate of non-proliferation and nuclear disarmament for decades and actively contributed to the international political and legal discourse in this area;
- Iran has repeatedly underlined that nuclear and other weapons of mass destruction have no place in its defense program and perception. This is due not only to Iran's commitment to its obligations under the NPT and other relevant conventions, but arises from a sober strategic calculation;
  - Iran believes and has an established policy that WMD will not augment its security, and would in fact increase its vulnerability in a volatile region prone to tension and hostility;
  - Iran believes and has an established policy that an arms race in the region, particularly in the area of WMD is dangerous. Iran has no interest in, no intention to, and nor does it seek the ability to enter into this race. Instead, Iran fervently demands that this menace be contained and removed through effective non-proliferation measures;
- Iran firmly pursues the goal of a region free from WMD through their total elimination.

## Iran's Peaceful Nuclear Program

- The Islamic Republic of Iran, as a member of the NPT, has an inalienable right to nuclear energy for peaceful purposes;
- Iran, like all other Member States, should have access to nuclear material, equipment and scientific and technological information in a non-discriminatory manner;
- Iran is entitled to pursue its *inalienable* right. No justification is required to pursue an *inalienable* right;
- Iran's peaceful efforts in the field of nuclear technology are founded on sound economic, scientific and environmental grounds;
- The primary priority of the Iranian nuclear program is the generation of nuclear

electricity. In addition, Iran has sought to take advantage of nuclear technology in medicine, agriculture and industry;

- A peaceful nuclear program for an oil and gas rich country is feasible for the following reasons:
  - Iran can not merely rely on fossil fuel for its energy for the following considerations:
    - Continued use of energy in its present form is bound to turn Iran into a net importer of crude oil and some of its by-products in the coming decades;
    - Local use of these resources as fuel will drastically affect Iran's foreign exchange earnings from export of crude oil and natural gas;
    - The utilization of these resources in processing industries such as petrochemicals will generate much greater added value;
    - The environmental impact of increased reliance on fossil fuel is a serious concern of the entire international community;
    - Iran also has vast gas reserves. But their development is extremely costly and the costs can only be offset by gas export as envisaged and implemented in current gas development projects;
  - In the projected 7000 megawatt scenario, Iran will annually save 70 million barrels of crude oil based on 60% EAF, with an economic value of over US\$1.5 billion annually;
  - The environmental value will amount to preventing the release into the atmosphere of over 157000 tons of carbon dioxide, 1150 tons of suspending particles, 130 tons of sulfur and 50 tons of nitrous oxide;
- The advisability of a nuclear energy program for Iran was even endorsed by the US State Department, which in a *memo of 20 October 1978*, stated that the US was encouraged by Iran's efforts to expand its non-oil energy base, and was hopeful that the *US-Iran Nuclear Energy Agreement* would be concluded soon and that American companies would be able to play a role in Iran's nuclear energy projects; (Digital National Security Archive)
  - In the 1970s, European and American companies were competing for the construction of several nuclear power plants in Iran producing a total of 23000 (Twenty Three Thousand) megawatts of nuclear electricity;
  - The assertion now that Iran, because of its gas and oil resources, does not need nuclear energy can not be sustained. This assertion is clearly based more on the state of relations rather than concern about non-proliferation;
  - The conclusion drawn from this contradictory assertion to the effect that Iran's nuclear program must have non-peaceful intentions is subsequently also not sustained.

# Iran's Initial Approach

- In the pursuit of its right to peaceful nuclear technology, Iran began with a fully transparent approach;
- Iran sought the assistance of the Agency and its member-states from various parts of the World;
- In official consultations with the Agency and member-states throughout the 1990s, Iran:
  - Underlined its plan to acquire, for exclusively peaceful purposes, various aspects of nuclear technology, including fuel enrichment;
  - Persistently invited its interlocutors to cooperate and participate in this field;
- This is hardly the approach of a country embarking on illicit activity;
- A more positive reception to the still-standing offer and request of Iran for cooperation in the field would have broken the spiral of mutual suspicion, and allowed mutual confidence to prevail since the initial stage.

# A Pattern of Denial of Iran's Right

- Iran's right has been the subject of a systematic pattern of denial in the past 25 years;
- Preventing Iran from exercise of its rights has prevailed over an extended period of time and continues to this date;
  - A policy aimed at destabilizing Iran, coupled with an elaborate system to hamper its economic development and deprive it of modern technology;
  - Disregard for obligations of providing and facilitating technology under the NPT and the IAEA Statute;
  - Termination of bi-lateral and commercial contracts for provision of material, equipment and technology in the peaceful domain as a result of which:
    - The Bushehr Nuclear Power Plant was scheduled to produce energy in 1980;
    - Due to multiple breaches of contract, it is still in construction after 23 years and hundreds of millions of dollars of expenditure;
  - The resulting situation can be interpreted as material breach of the treaty obligation to respect and facilitate the attainment of Iran's inalienable right to peaceful use of nuclear technology;
- Restrictions on Iran's access to modern technology and equipment, even in the most essential needs of the civilian population, have encompassed nearly every field and not been limited to nuclear technology;

- As a result, Iran has been left with no other option but to rely primarily on unofficial channels to acquire the means necessary for economic and technological advancement and the welfare of its population;
- To consider Iran's procurement from unofficial channels as indication of concealment of ulterior intentions, therefore, neglects the underlying cause and is hence erroneous.

## Iran's Response

- The protracted pattern of failure to facilitate and provide access by Iran to nuclear technology for peaceful purposes, coupled with an active campaign to deprive Iran of its right, compelled Iran to take certain limited measures to protect its inalienable right and its vital national interests;
- Iran's shortcomings in reporting and declaring elements of its peaceful nuclear program were primarily due to the above-mentioned prior wrong and were motivated solely to avoid further hindrances in Iran's access to technology for peaceful purposes;
- These measures were not contrary to Iran's obligations under the NPT or to the objectives of the IAEA safeguards system;
  - At no time did Iran diverted nuclear material to non-peaceful use;
  - Iran has now been able to provide a full accounting of all its activities leading the Agency to conclude that "to date, there is no evidence that the previously undeclared nuclear material and activities … were related to a nuclear weapons program;"
- Therefore, the past failures by Iran can be described as failures in the past to meet the reporting and declaring procedures of the Agency and not attempts at diverting nuclear material they were procedural, not substantive;
- Rather than passing an unsubstantiated judgment that such failures were indicative of ulterior motives by Iran, it is reasonable to take into account that past failures were commensurate with a prior and unjustifiable failure to meet the obligations under the NPT and the IAEA Statute to facilitate and provide Iran with access to nuclear material, equipment and technology for peaceful use;
- The fact that Iran was still able, albeit with tremendous hardship and excessive cost, to develop a primarily indigenous nuclear technology represent, *ipso facto*, clear and convincing evidence that:
  - Undue sanctions, restrictions, impediments and obstacles to deny the rights of Member States run counter to the process of transparency and cooperation required by the Agency. It is also wrong to consider them as effective tools to deprive Member States from exercising their rights. Had it

not been for the severity of impediments, Iran would have pursued all its activities with transparency and in collaboration with other fellow Members as it has always sought;

• The fact that Iran has remained loyal to the NPT and the objectives of the safeguards, despite its unwarranted deprivation from its fundamental right, demonstrates the depth of its commitment to nuclear non-proliferation. It is hard to perceive that any other Member, facing similar restrictions, would have sustained unreserved commitment to the Treaty.

## New Horizons for Confidence-Building and Cooperation

- On 21 October 2003 and upon the invitation of the Government of the Islamic Republic of Iran, the Foreign Ministers of Britain, France and Germany paid a visit to Tehran. The Iranian authorities and the Ministers, following extensive consultations, agreed on measures aimed at the settlement of all outstanding IAEA issues with regard to the Iranian nuclear program and at enhancing confidence for peaceful cooperation in the nuclear field;
- The initiative indicated a readiness to start a new and different approach whereby transparency and confidence-building would lead to cooperation and exchange of technology in the future.

# Iran's Full Implementation of ALL Essential and Urgent Requirements

- Following the Tehran Agreement, Iran took action to fulfill all of its promises:
  - Iran submitted a full disclosure on the following day to the Director-General of the IAEA, providing a complete, accurate and consistent picture of its activities in the nuclear field;
    - The letter indicated that Iran had decided to provide a full picture of its nuclear activities, with a view to removing any ambiguities and doubts about the exclusively peaceful character of these activities and commencing a new phase of confidence and cooperation in this field at the international level;
    - The letter expressed the expectation that the Agency should take cognizance of Iran's concerns and constraints for the full disclosure of detailed information about these activities in the past;
    - The letter further reiterated that all these activities have been exclusively for peaceful purposes in strict compliance with Iran's NPT obligations;
    - The letter proactively declared all areas of activity "identified" by the Director-General in his report;
  - o Iran has provided to the Agency full, immediate and unrestricted access to

"all locations the Agency requested to visit;"

- Iran has provided all further information and individuals requested by the Agency;
- Iran has implemented all corrective measures requested by the Agency and has agreed to take further necessary measures when so requested;
- On several occasions, most recently in meetings on 8 and 19 November 2003, Iran requested to be informed of any further information or corrective measures that the Agency deemed necessary for the satisfaction of the essential and urgent requirements. Remedial action as may be requested by the Agency will be carried upon receiving such request;
- Iran has thus fulfilled all these requirements and it follows that the relations between Iran and the IAEA need to be normalized. Iran will continue to offer full cooperation and assistance to the Secretariat in order that the process will be finalized by March.

# Iran's Confidence-Building Measures

- On 10 November 2003, Iran officially notified the Agency of its readiness to sign the Additional Protocol, and to begin the ratification process. Iran is also continuing to cooperate with the Agency in accordance with the Protocol;
- On the same day, Iran informed the Agency that it has voluntarily suspended all uranium enrichment and reprocessing activities;
- Iran went further and invited the IAEA to verify this voluntary measure.

# The Wider Implications of the European Initiative

- The initiative of France, Germany and the United Kingdom, if carried through to a successful conclusion, can set the foundation for a different and much more effective approach based on engagement, cooperation and confidence-building;
- The non-proliferation regime stands to be strengthened from such an approach;
- The realization of the balance envisaged in the NPT between rights and obligations of member states can thus emerge as the real and effective guarantee for the integrity of the non-proliferation regime;
- In such a climate, there will be no reason for anything less than full transparency.

## The Report of the Director-General

• The international community expected that the Report should reflect the new

reality of Iran's full cooperation and openness and should depart from the negative experience of the past;

- It was expected that the Report covering a period of proactive cooperation and full disclosure would be more positive in tone than the previous one covering a period of less than full transparency;
- The report could have turned the achievements of this new European initiative into an achievement for the Agency;
  - It could have recognized the decisive significance of the European initiative;
  - It could have highlighted the developments after October 21, rather than obscuring them by sandwiching every positive new development between negative experiences of the past, particularly since:
    - The negative elements of the report are drawn from previous reports which were available to member-states and had been dealt with in previous Board meetings;
    - Their inclusion had more of a psychological rather than informative character and impact;
  - It could have attributed credit where it was due;
  - It could have refrained from the inapplicable term, "breach", which is
    - Not incorporated in the governing instruments of the Agency;
    - Not supported by the factual findings and technical details summarized in the body of the report;
    - Not even used in the previous report where failures enumerated by the Agency had been due to lack of full cooperation rather than the full disclosure of the present situation;
    - Not brought officially to the attention of Iran in any of the high level meetings, including one just before the release of the report, despite the serious nature of the assertion;
- The statement of the Director-General to the Board on 20 November 2003 represented a more concise reflection of the facts:
  - It clearly separated past from present, thereby allowing new realities to be assessed objectively;
  - It stated in more clear terms that Iran had fulfilled the essential and urgent requirement;
  - It repeated the Director-General's conclusion in the Report concerning no evidence to link past Iranian undeclared activities to a nuclear weapons program, in spite of political attempts and public pressure to undermine this fundamental conclusion.

#### Substance of the Report:

The Statement of 20 November 2003 of the Director-General and his report of 10 November, notwithstanding its negative tone and approach, establish the following facts:

## A. Nature and Scope of Undeclared Activities

- Uranium Conversion
  - During the past 30 years, researches, many for published university dissertations and theses, have been conducted in laboratory and bench scale for conversion of U3O8 to UF6, UF4 to UF6 and UO2 to UF4;
  - Iran has had an inventory of more than 500 thousand Kg of imported U3O8, which has been under IAEA safeguards;
  - Of this, the total amount of material used is less than 50 Kg of depleted and natural Uranium, having enrichment of 0.7% or less;
  - Detail design information for the Uranium Conversion Facility was given to the Agency years ago;
  - The Uranium Conversion pilot plant is still not operational.
- Uranium Enrichment
  - o Laser Enrichment
    - An American company signed a contract with Iran in 1975 to provide this technique (contract and other details were provided to the Agency in the October 21, 2003 disclosure);
    - In the 1990s, contracts were signed for laboratory scale and bench scale (milligram and gram quantities);
    - Some equipments were received, tested and dismantled;
    - Details and copies of the contracts were provided to the Agency in the 21 October disclosure and the Agency inspectors have visited the store;
  - Centrifuge Enrichment
    - Only 10 machines have been installed and tested and enrichment of 1.2% reached;
    - Even a complete cascade of 164 machines has not as yet been installed;
    - More than 50,000 machines are required to fulfill the requirements of one nuclear power plant;
    - The maximum enrichment capability of the projected 50,000 machines is 3.5%.
- Plutonium Separation
  - In 1990 and in the course of a bench scale experiment designed to separate molybdenum, iodine and xenon from fission products for medical purposes, insignificant quantities of plutonium (200 micrograms) were also extracted.

- The results of some of the research experiments were published in scientific journals;
- In 1992, following the relocation of the laboratory, the project was confined to separation of the three items and no further plutonium was separated;
- The equipment and irradiated material have been shown to Agency inspectors.

## **B.** Conclusions

- Iran has fulfilled all the essential and urgent requirements by:
  - Disclosing all past and present activities and providing "significant additional information" in its letter of 21 October 2003 and its attachments; (paras 15-16, 50, 51)
  - "Showing active cooperation and openness" (para 51)
    - "Granting unrestricted access to all locations the Agency requested to visit;"
    - "Provision of information and clarifications in relation to the origins of imported equipment";
    - "making individuals available for interviews;"
  - Taking all corrective measures required by the Agency: "corrective actions have already been taken or are being taken;" (Statement of the Director General and Annex 1 of the Report)
  - Undertaking to take all further corrective measures when requested by the Agency; (para 49)
  - This conclusion was more clearly stated in the Statement of 20 November that "our recent work has been much aided and accelerated by Iran's new policy, and by Iran taking the specific actions, deemed essential and urgent, requested of it in Paragraph 4 of the Board's September resolution;"
- Iran's past shortcomings were technical in nature and scope and did not run counter to the objectives of the Safeguards Agreement:
  - They were limited to reporting and declaring of peaceful nuclear activities; (paras 47, 48, 50)
  - They involved very small amounts (mostly in micrograms and milligrams in laboratory scale) of nuclear material; (para 50 and Annex 1)
  - The material was "not suitable for nuclear weapon purposes;" (Para 50 and Annex 1)
  - There is no evidence of diversion to non-peaceful use; (Para 52)
  - Therefore, the use of the word "breach" in the assessment section of the report is not founded in the facts or the governing instruments of the IAEA;
- Iran's failures took place in the PAST, and Iran

- Has corrected all past failures (Statement of DG);
- Has no present failure;
- Above all, "To date, there is no evidence that the previously undeclared nuclear material and activities referred to [in the report] were related to a nuclear weapon program;" (Para 52)
- Iran has agreed to sign and implement the Additional Protocol, thereby providing full confidence about the peaceful nature of its nuclear program in the future.

# The Road Ahead: Options for the Board of Governors

- Iran has started a process based on a political decision with far reaching implications;
- Iran has nothing to hide;
  - It is clear that Iran has no nuclear weapons program;
  - Therefore Iran wants to cooperate;
- Cooperation should be through mutual confidence and respect;
- Political manipulation of any stage of the process undermines confidence and hinders cooperation;
- Those who have publicly ridiculed multilateral disarmament instruments, regime and bodies may attempt to undermine the process of cooperation;
  - Serving their goal of maintaining political pressure on Iran for reasons completely extraneous to non-proliferation;
  - Undermining and destroying the new approach which stands to strengthen the non-proliferation machinery and regime, including the IAEA;
  - Undermining the multilateral non-proliferation regime, including the IAEA;
- There is no legal justification for this approach nor is it politically prudent;
- The essence and substance of the body of the report provides the Board the possibility to advance the process of cooperation that started on 21 October 2003 by:
  - Differentiating between the past failures and full openness and transparency of the present;
  - Recognizing the implementation of essential and urgent requirements;
  - Adopting a forward looking approach based on cooperation and confidencebuilding.

Iran's nuclear program has been is and will remain peaceful. Iran's cooperation and transparency will continue so that confidence will be restored and situation fully normalized without delay.

# **March 2004**

## Statement on the Implementation of the NPT Safeguards

## 13 March 2004

Mr. Chairman, Distinguished Director-General, Distinguished Governors,

I wish to express the appreciation of my delegation to Director-General, Dr. ElBaradei for his leadership and acknowledge the hard work that his staff and inspectors should carry out under strenuous circumstances.

The report of the Director General illustrates the positive trend of active cooperation by Iran and also of a process of resolving issues that is gaining pace exponentially. In more than eleven different paragraphs, the Agency underlines that it is either analyzing information provided by Iran or is waiting for the results of swipe sampling. Issues are either resolved or are at the verge of being resolved.

In our view, the Director-General's report, particularly the section on assessment and next steps, narrowed down to issues of importance in his introductory statement of 8 March 2004, reflects in clear terms the approach and the elements which should have served to produce the resolution to be adopted in the Board. That is if indeed a resolution was necessary. I am sure the Board is aware that a large number of countries did not consider this session –with a transitional report by the DG- to be an appropriate occasion for a substantive text to be adopted. A resolution is being imposed -and I think I am using the expression with true definition of the word- on the Board by a single country through few associates nonetheless.

The author of this resolution would no doubt try to argue that the draft coincides with the Director General's report and reflects the same points and issues addressed by him. But even an elementary review reveals immediately that it is nothing but a tool to serve a narrow minded, increasingly isolated conviction, by no means shared by the report.

The Director General has repeatedly stressed here:

- that this is a work in progress;
- that there is extensive cooperation;
- that there have been no impediments to access;
- that the Protocol has been signed and being applied voluntarily;
- that our rightful enrichment activities have been voluntarily suspended to build confidence;
- that all essential and urgent requirements have been implemented;
- that corrective measures have been taken or are being taken; and
- that outstanding issues are being resolved one after the other.

True that he has referred to a few shortcomings. But I do not think any observer with a minimum level of fair-mindedness could judge this as implying a reversal or even a detour in the process or a menace to it. The draft resolution on the other hand intends clearly to portray a rather benign progressive situation as a condition of high alert. Despite its limited modifications, owing to the principled position of many countries here, it is still a set back, a serious set back.

I shall not fail to express gratitude to the members of the Non-Aligned Movement, its Chairman and the troika of the Movement for their extensive effort and good faith negotiations to reach a draft resolution that commands general agreement. We took note of the understanding of the NAM of this resolution and of Paragraph 9, which as it stands, does not meet with its approval.

Since repeated delays and postponements have already exhausted the patience of the members, here I will refrain from presenting, in detail, the progress achieved on various issues and the pitfalls that we still need to tackle. But a brief summary to help establish where things stand today, and what may lie ahead, we hope would be useful.

## **Additional Protocol**

For much of last year, signing the Additional Protocol, provisionally applying it prior to its ratification and its ratification were among the most important issues that Iran was called upon to do in order to dispel doubts and promote transparency and confidence in its peaceful nuclear program. Now, this is fully in place.

## Suspension of Enrichment Related and Reprocessing Activities

The same is true for suspension of enrichment related and reprocessing activities, which was to put all concerns about Iran's nuclear programme to rest, particularly when combined with the provisional application of the Protocol. Iran's voluntary

decision for suspension was not easy decision to make in view of the rights of NPT signatories to peaceful uses of nuclear technology. But, in order to secure international confidence and promote transparency about its peaceful nuclear programme, Iran mustered the political will to take that voluntary decision. The Director-General welcomed Iran's decision and wrote in his report, in Paragraph 72 that it will contribute to confidence building. However, the author of this draft resolution apparently knows better and in order to avoid acknowledging this positive trend resorted to distortion of English language in Operative Paragraph 3 and vehemently resisted NAM's amendment to bring it somewhat closer to a decent language and the Director-General's report.

## **Conversion Program (UCF) at Isfahan**

Only three months ago we were being told by the Agency that Iran has had a quantum leap in construction of the facility for the UCF project at Isfahan. This was deemed as a significant and major issue not expected to be resolved with ease. The Agency is now concluding that Iran's declaration on UCF "appears to be credible." When the inspectors come to Isfahan next time, they only need to compare some documents to confirm that this outstanding issue is resolved.

#### Laser Enrichment Programm

Our laser enrichment programme has been considered as a second major outstanding issue. The Report indicates that our programme has had two parts; MLIS programme, and AVLIS programme. Our information on MLIS programme, as the Report says, "appears to be coherent". On the AVLIS programme, there is nothing else that Iran is expected to do. As far as we are concerned this issue is also resolved. However, the Agency needs to receive confirmation from third states with regard to deliveries of equipment related to our AVLIS programme.

## Plutonium

The question of Plutonium was also highlighted during November debate as a significant issue of concern and contention. Now, it has been reduced only to the degree of accuracy of calculation by the Iranian scientist of the weight of Plutonium produced. This is among the eleven subjects that the Agency is awaiting the result of sampling. We believe this issue will also be resolved next time the inspectors attend to it. The issue is now whether the calculation by the Iranian scientist which estimated that 200 Microgram of Plutonium was produced is accurate or the calculation by the Agency which estimates that approximately 200

Milligram could have been produced, or somewhere in between, taking into account the quality of equipment used and expertise applied.

## Plonium-210

On the question raised about Polonium-210, I would refer the Board of Governors to the explanation and information provided in our INFCIRC/628. Furthermore, we have provided the Agency 41 pages of information about this pure research, which await analysis by the Agency. We are confident that our explanations will be confirmed following their analysis by the Agency. Suffice it to say that Beryllium is an indispensable item in a research geared into a military program. And Beryllium was never part of Iran's buying list. Additionally, if Iran had a military application in mind for the research on P-210, about thirteen years ego, what factor prevented Iran from repeating the research over and over again during the past thirteen years? Why was the project abandoned rather than budgeted and pursued?

The research on Polonium, in any case, is not required under the safeguards and the Additional Protocol to be reported. Even as a neutron source, it has widespread civilian applications including, in particular, for oil and gas logging.

#### Contamination

The only outstanding issue which may prove somewhat difficult and time consuming to resolve is the question of contamination beyond 1.2 per cent enrichment. And that is due to the independent factor of the foreign source. However, with the recent revelations from third countries even the question of contamination may get resolved sooner rather than later. We are determined to reconstruct the import and movements of imported components in Iran to isolate contamination to the extent possible so as to enable the Agency to resolve the issue with a greater number of swipe samplings. In our view, as the results of new samplings become available more pieces of this puzzle fall into place.

## P-2 centrifuge design

The question of P-2 design, on the other hand, is overblown disproportionately for the reasons listed in our INFCIRC 628 and for the following reasons.

It was Friday the 13, in February when the whole world came lose. It was the day when newspapers in Europe and the United States wrote that the IAEA officials made the discovery and proved that Iran was developing nuclear weapons. The times of London, Washington Post, LA times and the Financial Times were the most creative and all attributed their stories to officials of the IAEA.

In an Article entitled "blueprints prove Iran is pursuing nuclear weapons", and after elaborating IAEA officials' discovery of blueprints of G-2 centrifuge, the Times of London went on to say: "Several IAEA officials said they believed Iran had bought the same nuclear warhead designs that Libya handed over to the IAEA."

Referring to the same discovery, Washington Post wrote: "Before yesterday's disclosure, Bush administration had begun to signal a tougher line against Iran, hinting of new intelligence findings that strongly suggested that Iran was harboring nuclear secrets. Some of these things the IAEA does not yet know, said one administration official, who spoke on condition of anonymity."

Apart from problems associated with the breach of confidentiality envisaged in the Statute of the IAEA and the Additional Protocol, I would like to suggest to the distinguished Governors that the issue of P-2 has been unduly exaggerated by the media and the Agency. The Agency's uranium enrichment expert who inspected our P-2 drawings and associated experiments and testing activities, and interviewed the thirty some year old contractor, better than anyone else, can now confirm or reject that the sensations created around the P-2 is justified or is exaggerated.

For your information, I have with me copies of five pictures signed by the Agency's uranium enrichment expert. These five pictures tell the whole story about all the research and manufacturing of the P-2 centrifuge in Iran. All the research and manufacturing are done by a small private work shop and are limited to making components for only one set of centrifuge with several rotors. And these few components are now in a storage visited by the inspectors. These pictures are here for anyone interested to see them. Having said this about the scope and nature of Iran's activities in relation to P-2 centrifuges, I turn to the question of omission from our letter of 21 October 2003 of any reference to Iran's possession of the P-2 centrifuge drawings.

Our arguments on this issue have been listed in INFCIRC 628, and most of them are summarized in Paragraph 47 of the report. I wish to state for the record that Paragraph 46 represents a problem with communication between us and the Agency, in as much as we have never meant to say that we neglected to include the P-2 in our letter of 21 October due to time pressure in preparing the letter.

The crux of the matter seems to be a difference of view between us and the Agency on this issue as far as the timing of reporting it is concerned. Our technical people who provided the material for what became our 21 October 2003 letter thought they are expected to provide a full picture of their nuclear activities as well as complete centrifuge R & D involving nuclear material that represented a failure of our obligations under our Safeguards Agreement. The P-2, in our view was to be reported under the Additional protocol declarations. We could not have perceived to stand to gain by reporting the P-2 under the Additional Protocol and not as part of our letter of 21 October 2003. It was a matter of judgment in good faith.

What should be important to the Agency and the Board is the fact that we have provided the information on the nature and scope of our activities related to P-2 centrifuge, and will provide any clarification which the Agency may require to enable it to confirm that our gas centrifuge program has been entirely based on P-1 centrifuge, which has been suspended.

#### Mr. Chairman,

Iran's agreement with the three European countries constituted the foundation of a new chapter in the cooperation between Iran and the IAEA. It opened the way for further Iranian commitment to the cause. Iran has been faithful to this commitment and has spared no effort to ensure that this process moves forward efficiently, expeditiously and exhaustively in order that a definitive conclusion of the matters at hand would come to light. A fair and balanced review of the substantive progress that has been made on resolution of major issues within the short period of time since October testifies clearly to this fact.

The questions related to conversion, plutonium, and laser enrichment, deemed by some of the skeptics during the November meeting as significant sources of uncertainty about peaceful nature of Iran's nuclear program, have now been either resolved or are on the verge of final resolution.

If the current process would be allowed to proceed within its positive context of mutual confidence and cooperation, we have no doubt that these and other questions referred to in the Director General's report will be settled by the next Board meeting. With the additional information recently requested by the secretariat, our share of what we can provide to the best of our ability to help clarify the complex issue of contamination would also be completed by the same Board meeting. Our obligations and commitments will thus be thoroughly fulfilled and remedies and corrective measures completed.

The succinct summary assessment presented by the DG at the opening of this board meeting, save for his interpretation of the P2 question as a setback, which will

prove to be benign, concurs with this assertion. We believe that his statement was plainly clear in identifying the single issue of contamination as the one requiring further work and continued cooperation from Iran and other Parties. It was in this context that he expressed his hope that, in the absence of new revelations, these and other remaining questions will be resolved and confidence restored.

The fundamental conclusion which constitutes the essence of the whole safeguards system pertaining to non diversion of nuclear material and activities to military purposes is, in the meantime, sustained. Since November when the Director General reported no evidence of diversion, a robust system of verification has been effectively and extensively in place. The conclusion remains the same. There is no evidence of diversion today; there will not be such evidence tomorrow, nor there will ever be such evidence or indication of diversion in the future.

It is of course not easy for some to accept the fact that our nuclear program is exclusively peaceful. Those who have for long set their policy and approach on the false perception that Iran seeks weapons of mass destruction cannot change course with ease. Their negation is naturally a first psychological reaction before accepting the truth. Yet the truth remains the same. Iran's nuclear program is exclusively peaceful. The Agency's inspections will progressively confirm this assertion.

Against this background, the attempt to unravel this otherwise healthy process, which is now a matter of public information, is clearly out of order. There is a fervent unjustified desire to maintain undue pressure on Iran through misrepresentation of facts, over-exaggeration of minor misgivings, and excessive prejudgments.

The move to pass a tough resolution here runs primarily on prejudiced ideological emotions. If this prevails, which apparently will through the logic of force and exercise of systematic intransigence, extremists –mutually reinforcing- will gain momentary comfort.

The well wishers here tell us that there is a lot of hot air in certain ideological circles. They say it is best to let the steam blow away. To be frank we are not sure whether this serves any purpose or gives a chance for things to improve.

What we see however is that the damage has already been done. The process is geared to suffer. Recovery will require enormous efforts. Those who have worked relentlessly to put this venture in place have tedious work ahead of them. They may not be so outspoken, as sensationalism betrays sensible work. But they are –as we still view them- dedicated to see this process through and make sure it succeeds.

With change of obstinate minds and cold hearts, June may prove to embody a different spirit. Looking in hindsight, this March Meeting may then be remembered only as a piece of bad memory.

Thank you.

# **June 2004**

Statement by the Islamic Republic of Iran 18 June 2004

In the name of God, the Compassionate, the

Merciful Mr. Chairman,

Allow me to begin by expressing our sincere appreciation to the Director General, the Secretariat and the inspectors for their tireless efforts and assure them of our full confidence and commitment to continue cooperation with them to bring this issue to a prompt closure.

It has been over a year that the IAEA started its robust inspections of the Islamic Republic of Iran. Most issues have already been clarified, and the two remaining questions are fast approaching clarity.

But we should not lose sight of how and in what atmosphere this process started. The process started in a deliberately charged political atmosphere. Wild and illusionary allegations of a secret Iranian nuclear weapons program appeared on heavy daily doses. They were repeated so often - albeit primarily by one power with a heavy hand and a huge arsenal of global media campaign that they were taken as irrefutable facts. The task was to simply find the evidence, a smoking gun so to speak.

The Agency, faced with enormous pressure that its credibility would be tarnished by succumbing to Iran's so-called skillful deceit, had to take the cautious road. It was taught a lesson very early on, when it simply asserted in its November 2003 report to the Board that "to date there is no evidence that the previously undeclared nuclear material and activities.. were related to a nuclear weapons program"

This modest but significant observation by the Agency became the subject of unrestrained attacks and intimidation by some officials of a country who had already decided what the facts were or should be. This august Board also sent a message of its own, by incorporating almost every damaging assertion in that report in its November resolution, but not even referring to that most important finding, despite the insistence of the overwhelming majority of the members of the Board, particularly the Non-Aligned.

Those days are behind us. Today, and after over 670 person-days of intrusive inspections and robust verification, that finding continues to be valid. The Agency has not changed or reversed it, while for obvious reasons, it has avoided the humiliation of repeating it. In fact, the very nature of the questions and problems have changed. I invite the distinguished members of the Board to

once again read the latest report and its annex and compare them to the original allegations.

The questions and concerns today are:

- Not whether Iran has the bomb or whether a smoking gun can be found. Every one knows the answer is no, whatever pretence they put on;
- Not whether Iran produced or received high enriched uranium, but where exactly each and every particle in the contaminated imported equipment came from;
- Not whether the infamous P2 "discovery" was related to a secret nuclear weapons program being conducted in the much drummed up "military sites", but in fact when the conclusions of the Agency's inspectors confirming the accuracy of Iranian accounts can be assessed and finalized;
- Not whether Iran was engaged in systematic deception, but whether Iran had to read the minds of the careful inspectors on what they wanted to know in order to be "proactive" rather than responding to inquiries;
- Not whether Iran told the inspectors where it got its imported parts, but whether private contractors had been "proactive" enough in providing to the inspectors a list of all the inquiries that they made, whether or not they even received a reply;
- And may be most importantly, not whether Iran was prepared to voluntarily suspend its rightful enrichment activities in order to alley the sense of urgency that had been drummed up, but whether Iran or any other country for that matter is prepared to accept an arbitrarily defined new monopoly...

Why did it happen?

Because the Board was lead to believe that Iran's less than full transparency in the preceding years in disclosing all its nuclear activities was motivated by a grand scheme to conceal a weapons program rather than a fact of daily life - and a nation-wide defensive mechanism against unilateral sanctions — that includes not only the nuclear field but everything from drug enforcement to civil aviation safety and even to humanitarian mine clearance operations. The Board was lead to believe that that there must be ulterior evil and illegal motives for a widespread practice of discrete procurement in all fields that has been imposed on Iran by unilateral all-encompassing illegal sanctions; sanctions that themselves violate the NPT among other international and bilateral instruments. Mr. Chairman,

While a careful reading of the report clearly establishes the claims that I just made, we need to set the record straight on a number of assertions and remarks in the oral and written report, that have found their way right into the draft resolution. We are confident that these assertions and remarks emerged indvertently and in spite of the best efforts of the secretariat and the inspectors to provide a correct picture. That is why we have shared the evidence with the Agency in all cases and have sought clarification from the secretariat. We

appreciate the courage of the secretariat in providing a partial correction and we hope that further clarifications on similarly documented cases will be forthcoming.

#### 1-Less than Satisfactory Engagement and Proactive Cooperation?

Over 670 person-days of unrestricted inspections have been carried out in Iran since February 2003, amounting to one of the most robust and intrusive verifications in the history of the Agency. In spite of the fact that the complementary access envisaged in Article 4 of the Additional Protocol could legally be granted only after the declarations have been submitted to the Agency, Iran voluntarily granted 12 complementary accesses even prior to the submission of its declarations, most of which with 2 hour notice or even less.

It needs to be borne in mind that lack of identified or known criteria or timelines, on the basis of which-Iran could organize itself for robust inspections, has required Iran to provide information or to grant access primarily after requests were made by the Agency. However, in the spirit of cooperation and as confirmed in the report of the Director General, action has been taken to satisfy the requests of the Agency in the fullest and most speedy manner possible.

#### **2-Incomplete Information and lack of Clarity?**

## 2-1- P-2 Program

As clarified by the secretariat on 17 June 2004, the evidence and records of the meetings and interviews conducted by the Agency, clearly illustrate that the observation in the Report indicating that information about P2 "in some cases continues to involve changing or contradictory information" are without any justification. We have shared the evidence with the Secretariat, and believe that the mistake has been inadvertent. As this S&& mistake has lead to a very serious conclusion and significant impact on the draft resolution, we sought a correction. It is now clear that Iran did not change its information on the origins of the magnets or the locations where various parts of the P-2 were built. Unfortunately the corrections that were made by the Secretariat did not lead even to the necessary factual modifications in the draft resolution. Moreover, the

clarifications provided by the secretariat understandably included new ambiguities which require clarifications. Allow me to explain:

- First on the number of magnets: The total number of magnets in question is about 150 and not the stated 4000 which has been the subject of much fanfare and an extremely unfortunate statement in an informal meeting here. We of course noted the expression of regret, but we wonder why the news media did not pick it up.Even of the 150, about 100 were low quality and only about 50 were usable. The100 pieces had been purchased at about 4 dollars per magnet and the better quality ones at 7 dollars a piece.
- The statement contends that Iran acknowledged in May for the first time that it had sought to procure 4000 magnets and shown interest in acquiring up to 100000 more. This issue has been thoroughly explained by the contractor to the apparent satisfaction of the inspectors. Two issues need to be amplified here:
  - The private contractor explained to the inspectors that to buy an item which costs less than 10 dollars a piece from a European company, he needed to make it financially attractive and he did so by promising the purchase of

huge amounts. This entire episode may be amusing to those who have not been subjected to the type of illegal sanctions that private and public Iranians are facing in procuring the most elementary equipment from abroad. But it is a common fact of life in every sphere of Iran's economic activity. 2) To fault an Iranian contractor for not knowing that he had to volunteer information not only on his actual purchases ~ which he did — but in fact about his unsuccessful inquiries is less than fair.,

Second with regard to the March report and Iranian Statements: While in the meeting of January 28, a complete picture on the origins of magnets were presented to the inspectors, "the issue of the import of the magnet gained significance for the secretariat only in May." hi other words, the primary issue during the preceding discussions was what had been acquired from the intermediary. That constituted the primary focus of the inspectors, and the secretariat, and that is why every statement by Iran as well as the March report of the secretariat were seen in that light. In the communication INFCIRC/628 and other Iranian statements, it is crystal clear from the wording or the context, that Iran only reiterated that it has not received any P-2 component from the The magnets purchased did not originate from the *intermediary*. intermediary but from an Asian company, which the Agency has already acknowledged in its report. Building on this as a justification for the assertion of incompleteness or lack of clarity is misleading.

#### 2-1- Laser Enrichment

Another inadvertent mistake in the report about the consistency of Iranian declarations on the levels of laser enrichment has expectedly found its way in the

draft. We have shared the evidence with the Secretariat and the DDG for Safeguards in his briefing of the Board on 10 June 2004 and tried to indicate that there may have been a mistake on this issue by the Agency. However, the facts are incontrovertible and the incorrect information has stayed in the draft. In our view, the Board deserved a more unambiguous statement of the facts on this issue by the Secretariat as well. Let me explain:

- In the letter of 21 October 2003 to the Director General, Iran informed the Agency that "hi the course of the operation of the CSL, about 8kg of U-metal was evaporated in the chambers and the enrichment separation envisaged in the contract, and in some experiments higher enrichments, were achieved in mg."
- During the first interview with the Agency inspectors, held in this regard on 28 October 2003, the Iranian laser specialist stated, "we were able to achieve the goal of the contract and even obtained *double digits* enrichment occasionally".
- While it is clear that since October 2003, Iran has been referring to "higher achievements" and even "double digit" enrichment, it remains a mystery how the word "slightly" found its way in the November report, only to become a reference point in para 33 of the current report alluding to inconsistency.
- The draft resolution, using this as its point of departure, has taken a step further calling it omission without the slightest justification from the report in its present form let alone the real story.
- It is worth noting, in any case, that experts in laser enrichment technology are well aware of the fact that due to tuning and well running of the equipments, one could occasionally obtain particles with higher enrichment factor (such as 15% reflected in the report or even higher figures) in some regions of the collection plate which by no means is an indication of capability of the system in continuous and long time running.

## 3- Delay in Inspections and Sampling of P-2 Components?

There is a widely reported contention that Iran delayed inspections for one months. It has also been asserted that this "resulted in a delay in the taking of environmental samples and their analysis." This again found its way in the resolution. The facts that have been shown to the Agency do not support neither contention and we expected clarifications on this issue as well. Allow me to elaborate:

- During the period in question, the Agency inspectors arrived in Iran on March 27, 2004 and not mid April. Various inspectors have almost continuously been in Iran since March.
- The requested delay until 10 April pertained solely to the implementation of then newly announced suspension measures and not

to any other activity, including other suspension measures. Iran stated clearly in its note-verbale dated 15 March 2004 that "With regard to the verification of other activities in the Islamic Republic of Iran the inspectors of the Agency can travel to Tehran on 27 March 2004."

- As for delays in P-2 sampling, there was no impediment for the inspectors to visit or take samples from the P2 components or locations involved in P2 program since 27 March 2004.
- During the period in question, the Agency inspectors, by their own choice, did not inspect P2 components before mid April 2004 and even then did not take such samples which in the report is regarded as crucially important and urgently required. The inspectors only took almost a month later in mid May.

#### 4- Scope of Suspension of Enrichment Activities

As a confidence building measure and pursuant to the agreement with the three European countries in October 2003, Iran decided to voluntarily suspend enrichment activities, while at the same time stressing its inalienable right to peaceful nuclear technology including in the field of enrichment. The scope of its voluntary measures were expanded by Iran in March 2004, following a subsequent agreement, in order to remove any impediment for the speedy normalization of the situation within the IAEA. Iran stated in absolutely clear terms the scope of its voluntary confidence-building measures in its letters of 29 December 2003 and 24 February 2004, and invited the Agency to verify the measures specified in those letters. Despite numerous technical and contractual difficulties, Iran has implemented both decision in their entirety and in good faith and provided extraordinary and unrestricted access to the Agency for verification of the suspension.

The Agency has confirmed in its current report that it has witnessed no activity inconsistent with Iran's voluntary decisions. With regard to the private workshops that have continued production of components, contractual problems did not allow timely suspension of their activity. The possibility of contractual problem leading to such cases as well as the remedy, which was fully implemented, had both been clearly stipulated in the letter of 24 February 2004. Thus, any insinuation that Iran's implementation of its voluntary decision has been anything less than comprehensive is factually erroneous.

At the same time, it must be clearly understood that Iran took these measures in order to enhance international confidence and obviously as a confidence building exercise the collateral cannot be greater than the possible gain. Iran has attained the capability to enrich uranium through the hard work and intellectual capability of its scientist and in spite of multifaceted illegal restrictions that it has faced throughout the past two and a half decades. It will not abandon its peaceful technology, nor will it accept artificial, self-serving, and politically manipulated criteria to purport to do that by excluding Iran from any eventual IAEA working group or other mechanism in this field. The balance between rights and obligations under the NPT and the IAEA statute is the main guarantee for the credibility and sustainability of the nuclear nonproliferation regime. Arbitrary and self-serving attempts to create new monopolies and deprive NPT States parties from an important area of peaceful nuclear technology undermine the basic foundations of the very system they purport to strengthen.

#### The Road Ahead

#### Mr. Chairman,

I made these observations only to show the complexity of the process and alert my distinguished colleagues here that a small inadvertent mistake or omission by the secretariat can lead to dramatic conclusions only to be picked up by the watchful eyes who want to pick words here and there and insert them in the resolution or to make a propaganda bonanza.

We appreciate the courage of the secretariat in their explanations yesterday. The ambiguities and overstretched qualifications are understandable. But the impact of the mistakes and ensuing conclusions in the report on the overall atmosphere in the Board and the very direction and the entire fabric of the draft resolution is self-evident. With a report without these mistakes and ensuing conclusions a normalization in this Board meeting was not only achievable but imperative. This was not to be.

Now, the Board has a resolution that is alien to the real situation on the ground as observed and verified by the inspectors — placing the Board on less than solid grounds in adopting this resolution. Therefore, one or two minor changes in the wording of the draft to nominally acknowledge the new information brought to the attention of the Board today cannot remedy the very serious wrong that this draft does, not just to Iran, but in fact to the entire process, putting it in jeopardy.

Who should be blamed for this? The inspectors who have been working hard and are naturally entitled to make mistakes? Or those who have systematically ruined the sound and impartial environment required for such heavy investigations by purring the market with their flawed prejudgments being exerted to the minds of every body -including inspectors-on a daily basis including through media bias?

#### Mr. Chairman

We have the utmost respect for the impartiality and professionalism of the Agency and its Director General, secretariat and inspectors. We have done our best to provide them with all they need so that this joint task that Iran and the Agency have embarked upon together can come to a prompt closure.

This objective is very much achievable if not already at hand. The oral and written report of the Director General, read carefully, indicate beyond doubt that the Agency has made significant progress in concluding the clarification of the two remaining issues, namely the P-2 and contamination. Allow me to make a few remarks.

**First on P2:** There were three rounds of intensive discussions between the Agency inspectors and the private contractor who worked on P-2 R&D, the last of which took place on 30 May 2004. The Agency's inspectors confirmed their conclusion during the wrap up meeting with Iranian officials on 2 June 2004 that Iranian statements on P2 R&D are consistent with their findings. They were convinced about the *"feasibility of carrying out centrifuge test based on P-2 design - which required the procurement of parts from abroad and manufacturing of casing and centrifuge components within stated time period"*. Therefore, from the point of view of the inspectors, which requires final assessment in Vienna, the issue has been substantively clarified.

It is important to note that the Director General in his oral presentation of 14 June 2004 before this Board carefully stated that, "additional information on the P-2 centrifuge issue was being provided by Iran, which we are currently assessing. We have also taken environmental samples relevant to this issue, which are currently undergoing analysis. I do hope that this information will help us in understanding and clarifying all issues relevant to the P-2 programme." We welcome his public comment that this issue will be resolved by September and we are confident that yesterday's clarification by the DDG-Safeguards will further expedite the closure of this issue.

Second, on Contamination: As mentioned in the Report, the issue of contamination is a complex matter, which deals with the traces of particles and not nuclear material.

Iran consistently maintained that the source of contaminations are solely from imported contaminated parts received from the intermediaries and that Iran has not been able to enrich uranium by gas centrifuge machines beyond %1.2 U-235.

The Agency, in spite of ups and downs in previous reports, has now reached more serious conclusions as a result of further analysis of samples. These conclusions support the consistent Iranian contention about the source. A clear example is the latest report of analysis of samples dated 15 May 2004, in which the Agency informed that "Generally these findings support the State statement that 54% HEU originates from the imported centrifuge parts."

Iran has no doubt that the origin of the 36% contamination is also from the imported centrifuge parts. Taking more samples from the parts - which has been very limited up till now in spite of our insistence — will once again prove the correctness of Iran's contention. This is particularly the case because we have witnessed a gradual evolution of Agency's views on the locations where 36% contamination has been found. It was originally claimed on 27 October 2003 that such contamination was found only in one room, while in the current report it is clear that that contamination has been located in different locations and on imported components. The cooperation of other states will help expedite the resolution of this issue.

#### Mr. Chairman,

The resolution just adopted by the Board is a major departure from the realities on the ground and the report. Its pre-set tone and content coupled with the lax attitude towards facts indicate the resurgence of a political desire to derail the process. A number of elements in the preamble and operative paragraphs 7 and 8 concerning UF6 and a research heavy water reactor, regardless of the modifications in wording, violate the letter and spirit of the NPT and the IAEA statute. This is the first instance in the history of the Agency that a member-state is being asked, in whatever wording, to restrain exercise of its right particularly with a regard to a facility which had been declared and has been under full and comprehensive IAEA safeguards. The Board must be aware of the precedent it is setting, despite the objection of the majority of its own members represented by NAM. I would be remiss if I did not express my appreciation to the NAM chapter in Vienna and its troika for their position of principle and tireless efforts.

#### Mr. Chairman,

Let me conclude by making 6 brief final points:

- 1. Iran is committed as a matter of national security imperative to nonproliferation and the peaceful use of nuclear technology.
- 2. Nuclear weapons have no place in Iran's defense or security doctrine.
- 3. Hundreds of person-days of intrusive and robust inspections has affirmed time and again that the original assessment of the Agency is still correct and will remain so.
- 4. More samplings and more analysis will only further illustrate our point about the foreign source of contamination. This can well be done within the framework of safeguards and the Additional Protocol.
- 5. Through full transparency and cooperation by Iran since October 2003 coupled with intensive and robust verification by the Agency, there is now sufficient confirmation to enable the Agency to begin a normal process of verification in accordance with the normal implementation of the Additional Protocol in a technical and not political environment.
- 6. We will examine our voluntary confidence building measures in light of the degree of implementation of the reciprocal commitments of our partners and make appropriate decisions.

# September 2004

Statement the Islamic Republic of Iran Before the IAEA Board of Governors 17 September 2004

In the name of God, the Compassionate, the Merciful

Mr. Chairman,

The September report of the Director-General presented the most promising picture of cooperation by Iran enabling the Agency to make steady progress towards resolution of the remaining outstanding issues. An end was and still is clearly in sight. Ironically, such a positive trend did not produce the corresponding reaction in some circles.

While the rest of the international community felt vindicated about resorting to the existing legal regime of the IAEA to clarify misunderstandings and produce reassurances, the extremist elements in one single country who have consistently shown contempt for the utility of the IAEA and similar multilateral mechanisms, felt threatened as they saw that all the hysteria that they had so heavily invested in creating was about to evaporate. The solution for these extremist elements was to try to hastily abort the process and set the stage for confrontation.

And that is exactly what they invested all their substantial resources to ensure. Thus, it is not at all surprising that the footprint they left in the draft was sufficient to make it by far the most inconsistent text on this issue and alien to the letter and spirit of the report.

To give in to this destructive tactic is a major setback for the IAEA; one that will most likely be regretted as wasting the best opportunity to augment the credibility and relevance of the Agency, move towards the resolution of this matter and avoid confrontation.

Let me elaborate:

Since last September, more inspections have been carried out in Iran than in any other country in the history of Agency's safeguards verification. In fact over 800 person days of the most intrusive inspections have not only produced no smoking gun, but in fact has further substantiated the original finding of the Director-General that "to date there is no evidence that the previously undeclared nuclear material and activities…were related to a nuclear weapons program"; a finding that this Board has been consistently obstructed from recognizing.

Iran has consistently held at the very highest level that from a strategic, political, economic and religious and ethical standpoint, development, possession and use of nuclear weapons and other WMDs are dangerous, illogical, costly and unacceptable for Iran. Iran has therefore never sought nuclear weapons, while it has and will always insist on its right to all aspects of nuclear technology for peaceful purposes.

In order to provide long-term assurances to the international community, within an accepted multilateral legal regime, Iran in December 2003 signed and immediately started implementing the Additional Protocol. In May 2004, Iran produced its original declarations in 1033 pages; that is Iran beat the Protocol time table for submission of declarations. Iran has submitted a complete set of the revised version of its original declarations, including detailed information about its R&D programs over the next ten years as well as export-import declarations. Furthermore, Iran provided 13 complementary accesses to various locations in accordance with Article 4 of the Protocol, often with only two hour notice.

The implementation of the Additional Protocol, now that the outstanding issues are approaching resolution, is the best guarantee for providing the international community with the assurances that it legitimately deserves about the peaceful nature of the Iranian nuclear program.

As a temporary confidence building measure and pursuant to understandings with the EU 3, Iran took the extra-ordinary and voluntary step of suspending its rightful and legal uranium enrichment activities. Iran expanded these voluntary measures as a result of an agreement with the EU 3; an agreement which contained reciprocal commitments. For its part, Iran implemented the agreement fully and completely, and in keeping with those understandings, it allowed the IAEA to verify its voluntary measures, which was done and duly reported to the previous Board meeting. The other side was not as forthcoming in keeping its commitments. The scope of the suspension was therefore accordingly re-adjusted. Iran again carried out its voluntary measure in full and the Agency verified it. There should be no misunderstanding about the non-binding and absolutely voluntary nature of these measures. Any steps and measures in this confidence-building exercise can solely be a matter which emanates from political understandings and agreements not extra-legal demands.

Other findings, conclusions and assessments of the Director-General in his Report testify to the clearly positive trend of cooperation and the steady progress in investigations which is approaching a conclusive corroboration of Iranian accounts of its activities. Allow me to paraphrase – for the sake of brevity – some of them:

The Director General has welcomed the additional information provided recently by Iran in response to the Agency's requests including the prompt provision by Iran of clarifications concerning its initial declaration pursuant to its Additional Protocol.

The Agency continues to make steady progress in understanding the Iranian nuclear programme and that this progressive development would assist the Agency in drawing definitive conclusions and confirming the correctness and completeness of Iran's declarations related to all aspects of its nuclear program.

The investigations on laser enrichment activities and Iran's declared uranium conversion experiments have reached a point where further follow-up will be carried out as a routine safeguards implementation matter.

The Agency has made a major progress on the key issue of uranium contamination where, on the basis of the Agency's analysis, it appears plausible that the HEU contamination found may not have resulted from enrichment of uranium by Iran.

The Agency has gained a better understanding of Iran's efforts relevant to manufacture and use centrifuges of P-1 and P-2 designs,

And in sum, the Agency is making steady progress towards understanding Iran's nuclear programs.

Now let us examine the **in**consistency of the draft resolution with the Report:

This draft resolution is the first since the start of this process that has no single positive reference to Iranian cooperation despite the many positive elements in the report. The only positive, albeit qualified, reflection in the original draft of "the generally positive tenor of references to Iranian cooperation with the Agency in the Director-General's report" was conspicuously omitted from the revised draft, probably for the sake of consistency, as such recognition would have rendered the general direction of the draft resolution utterly illogical.

Furthermore, several extremely important findings of the Agency contained in the report are completely neglected in the draft resolution, namely the conclusion of investigation on laser enrichment and uranium conversion as well as plausibility of foreign sources of HEU contamination. One is reminded that in November last year a vicious campaign prevented any reference in the resolution to the profoundly important finding of no evidence of diversion.

In fact, it did not make any difference, because while that resolution did not recognize the DG's finding, robust and intrusive inspections have factually substantiated it.

What is important, nevertheless, is that the total disregard for such pivotal conclusions undermines the integrity and credibility of the IAEA inspection regime. It indicates that for some with an unhealthy ability to impose, the Agency's reports do not matter and have utility only if they corroborate their allegations. Otherwise, continued progress of the work with the Agency must be torpedoed, ridiculed and outright neglected as we see in the current draft.

Mr. Chairman,

In order to avoid any misgivings or misinformation and for the record, I wish to stress that assertion by Canada that a Board is duty bound to report past failures or breaches to Security Council, commits a very scant reading of the statue and its provisions and does in no way hold stand scrutiny by any viable legal interpretation.

Mr. Chairman,

The statement made by the representative from United States, I pressed myself hard to detect something new in her statement. Something that would reflect the realities on the ground, as reflected in the DGs report, something that US representative has not repeatedly said in the previous meeting. I did not find anything new. Her statement, like those in previous meetings of the board, was full of speculative conjecture, trying to convince the board members and the D.G and the Agency that Iran has a nuclear Weapon programme. The US delegation elects not to hear or read the DG's report in as much as the report don't corroborate her allegation and speculation. US officials have circulated allegations about Iran through the open source and 13 of these allegations have been followed up by the Agency through complimentary access by the Agency. None substantiated US allegations.

I invite the US representative to substantiate her allegation by presenting any evidence on indication she has that points to on Iranian nuclear programme for consideration by D.G and the Agency provided that US would accept the finding of the D.G and would subsequently withdraw their allegation.

Mr. Chairman,

Let me also respond to some of the points made by the representative of the United Kingdom. He pointed out that Confidence building is not like a tab to open and close. I must say that there are modern faucets that do not take a year to open or close. It is a year that Iran is applying the provisions of the additional protocol which is the result of our collective wisdom to provide assurances about the peaceful nature of our program. The most important provisions of the draft resolution clarify the intention for such blatant inconsistency. Some have openly declared their intention. Knowing that a forward-looking approach will further vindicate Iran and that the November report, based on further investigation, is bound to clarify the remaining outstanding issues, they have confessed that they have introduced language with the clear intention of setting the clock backward and take the process a couple of years back. That, we all know they need, as an instrument for trying to impose extra-legal requirements. However, that was not meant to be as shown by the voting. This afternoon my delegation noted that under normal use of rules of procedures the draft resolution should have been on separately, but was not because of the NAM's commitment to the process in the IAEA. We also noted the statement made by the distinguished Ambassador of U.K that Iran's voluntary decision for suspension as a confidence building measure does not constitute a legal obligation. We take the amendments made by the NAM, statements made by U.K and others into account in analysis and evaluation of this resolution just passed without a vote and in our response.

### November 2004

#### Statement by the Islamic Republic of Iran Before the IAEA Board of Governors Vienna, 29 November 2004

In the name of God, the Compassionate, the Merciful

I wish to begin by expressing our appreciation to the Director General and the IAEA Secretariat for their efforts.

The resolution adopted today still has many shortcomings and unnecessary references to episodes that are over a year old and have been dealt with in previous resolutions. Let me repeat for the record what we also stated last November that no amount of recapitulation or repetition of legally loose terminology can change the applicable legal framework. No interpretation of the instruments governing the conduct of this Board can even provide an option for dealing with this issue outside the framework of routine implementation of safeguards and the additional protocol, let alone moving it elsewhere. The criterion for invoking such an option is not the amount or the duration but diversion. In the case of Iran, therefore, there has never been a legal ground to do that.

The resolution does, however, set into motion normalization of the case by requesting the Director General to report as appropriate. This provides a calmer atmosphere precluding periodic escalations which made any attempt at addressing the issues in a more long term perspective untenable.

Furthermore, despite unnecessary recapitulations of the pre-October 2003 period, the report and the resolution make it abundantly clear that the neglected assessment of the Director-General last November about the absence of any diversion is solidified today. The absence of any undeclared nuclear material and activity will be established in the course of routine implementation of the Safeguards Agreement and the Additional Protocol.

This is the single most important objective of these instruments and by refusing short-sighted temptations to opt for extra-legal procedures and allowing the legal non-proliferation regime to run its normal course, the credibility and relevance of the regime and its legal instruments will only be augmented.

We are committed to continue our transparency and extend full cooperation to the Agency in this regard. We are also prepared to take all steps within our power to help the Agency in the resolution of the two remaining issues of origin of contamination and extent of the centrifuge program. We have all taken note of the conclusion of the report that their resolution lies primarily outside Iran. Over the past one year, Iran has left no stone unturned to overcome the hostile environment and move ahead with its pledge of confidence building, transparency and cooperation with the Agency. To come to where we are, Iran adopted important voluntary confidence building measures. As the resolution adopted today reiterates, they remain voluntary confidence building measure and not an obligation. No language in the resolution or elsewhere can change this clear legal fact. Indeed, as Article IV of the NPT clearly stipulates, "Nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I and II of this Treaty." When nothing in the Treaty can affect this inalienable right, the same certainly applies to every thing else. Article IV is a fundamental pillar of the treaty, without which Iran and every other non-nuclear weapon state would not have accepted it. We took special care not to make it a precedent against the interests of the developing countries, which explains one of the reasons why this process was complicated and time consuming.

Today's Board resolution has partially set the stage for initiation of a positive and constructive process that would provide mutual objective assurances and guarantees on transparency, non-diversion and access to nuclear technology for peaceful purposes. This resolution was the first important test of the Paris Agreement, and the European three showed their seriousness in the process if not fully in the outcome. We thank our friends in the Non-Aligned Movement for their principled position and support in this process and express our special appreciation to the Government and delegation of South Africa for their good offices during a very difficult stage of this process.

Now, Iran and the E3/EU begin to embark on negotiations which will be much more difficult but at the same time has far greater potential to achieve concrete results that the process followed last year. These negotiations will have to address the prolonged attempt, in fact official policy of NSG for over two decades, to deprive Iran of access to nuclear technology in total contravention of Article IV of the NPT and particularly its second paragraph.

On our side and as a country which has acquired the fuel cycle technology, in spite of all illegal restrictions, Iran wants to address the legitimate and genuine concerns about the peaceful character of its nuclear program. Our confidence building measures are only geared to allay those concerns. Restoration of confidence in our program is our objective, and we will do our best to realize that as early as possible.

Our main aim in the negotiations that we are about to begin is to provide and receive objective guarantees and assurances on these two very important sets of issues. We rely on the Agency to provide its indispensable technical expertise and advice. The international community needs to invest in this pivotal process and attempts to derail it should be rejected and isolated.

Nuclear disarmament and non-proliferation as an interim measure constitute a most important requirement for global stability and prosperity. We strongly

believe that nuclear weapons do not augment our security nor the collective or individual security of any one else. This is firmly rooted in Iran's strategic calculations, its defense doctrine and its ideological imperatives and precepts. We are thus committed to Article II of the NPT and have no constraint in providing assurances to this effect. We at the same time are determined to exercise our inalienable ri&ht and expect to receive objective and firm guarantees on compliance with undertakings°in Paragraph 2 of Article IV, which stipulates, "All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy."

### **March 2005**

Comments by Islamic Republic of Iran At Board of Governors 2 March 2005

In the Name of God

Madam Chair,

I would like to draw the kind attention of the distinguished members of the Board of Governors to the following comments on the oral technical report as well as the statements by some members of the Board. I am a bit bewildered the report was presented formally and extensively, beyond normal procedures. Nonetheless, I will try to shed light on the points raised here.

1-The storage in Esfahan is not a part of the uranium conversion process. DIQ's on the storage facilities was submitted to the Agency prior to the complementary access, which took place on 15 December 2004. To imply that this was a revelation is not consistent with the facts. In any event it is obvious that the matter is, at the most, an inadvertent error in proper communication between Iran and the Agency.

2- Regarding the packing and storage of the centrifuge components in Farayand, we wish to note that:

i- They consist solely of non-essential items,

ii- They were intended for preventive maintenance, iii- As such, they have nothing to do with voluntary suspension.

The technical necessity of such activities for the preservation and maintenance of these components along with other essential items, currently under Agency's seals, has been discussed with the technical staff since November 2004; This is prior to the commencement of the voluntary suspension. The matter needs to be further discussed and examined in technical discussions. These items cannot be left unpacked and it certainly makes no sense to pack rejectable items.

3-We welcome the cooperation offered by other States and the steps taken by the Agency towards the conclusion of the issues related to contamination and P-2. We have provided the Agency with information on shipping, procurement and any other information, all above and beyond our safeguards obligations, which could be helpful for this purpose. We will continue to closely cooperate with the Agency, as this process proceeds, to assist the Agency to finalize this matter.

4-The visit to Parchin was responded to positively, not as an obligatory commitment of course, but as a matter of enhancing confidence .As the DDG stated in his presentation, the modality was agreed in advance, leaving the option to the Agency to select the zone with highest priority among the designated zones at its own discretion. This agreement was implemented in full. An additional request falls beyond the initially agreed modality. On this and other matters related to duel use items two serious concerns continue to prevail:

A- There seems to be a tendency for these visit to proliferate unduly forming an open-ended process relies on unreliable open-sources information should be revisited.

B- Confidentiality of information has, despite our repeated requests and all efforts of the Director General, almost never been maintained. Concerns on

this issue are more intense in view of potential threats of military strikes against safeguarded and other facilities visited by Agency in Iran.

On that latter point, the sheer notion of threats by Nuclear Weapons States against a Non-Nuclear Weapon State, is an issue of major significance as it undermines the very essence of the NPT and bears alarming consequences to the security and the stability of the region. It has to be confronted with head on.

I should also add that part of the problem of confidentiality seems to be related to electronic monitoring and clandestine eves dropping activities by outsiders; A matter which has been extensively reported by the media.

This matter needs immediate and effective attention and remedy.

In any event, Iran will continue its cooperation with the Agency, including granting access to sites merely in accordance with its Agency's Safeguards Agreement and the Additional Protocol.

Looking, however, at a bigger picture beyond the detail intricacies embodied in the DDG's presentation, common sense and calls for an agreement reached through political means .On this I limit myself here to stress on a few points.

- 1. Iran is sincere and serious in its negotiation with the E3/EU.
- 2. To this end Iran is intent in continuing its full fledge cooperation with the Agency and redeem the normal relationship under the Safeguards
- 3. Suspension is voluntary means and hinges upon progress in negotiation with E3/EU.
- 4. Iran's intention in being a nuclear fuel producer and supplier and a player in the future of this lucrative market is firm and inalterable. At the same time there is no intention of diversion, now or ever, and this can be assured credibly by the Agency.

- 5. An agreement with E3/EU is envisaged and pursued on the basis of exchange of firm and objective guarantees. Such an agreement is both possible and accessible at technical level. It does seem however to require an improved political environment conducive to a mutually acceptable agreement.
- Exchange of guarantees with E3/Eu will provide additional assurances for both sides, and promises to enhance confidence, and hence contribute positively and

effectively to regional stability.

Goodwill and well-intended support by others for the success of the negotiations
and heleful to this process.

can be helpful to this process.

Madam Chair,

I would appreciate if these comments be put on record and be distributed among members of the Board of Governors in due time.

Thank you for your attention

## **June 2005**

STATEMENT by the ISLAMIC REPUBLIC OF IRAN BOARD OF GOVERNORS (13 -17 JUNE 2005) 16 JUNE 2005

Madame Chair,

As this is the fist time that I am taking the floor, I would like to congratulate Dr. ElBaradei for his re-election. I am sure that Dr. ElBaradei would continue to lead this Organization through his formidable professionalism, impartiality and vast experience in achieving its objectives.

It was a pleasure to see the Deputy Director-General Mr. Pierre Goldschmidt once again at the podium here and yet it is a source of dismay that he would soon be leaving the Agency. I would like to congratulate Mr. Heinonen for assumption of this important post and to assure him of our continued cooperation.

I have also to express the condolences of my delegation for the sad demise of H.E. Ambassador Moleah of South Africa to the members of his family and the distinguished delegation of South Africa.

The oral technical report by Mr. Goldschmidt indicates the extent of the work that has been done since the previous Board meeting which has resulted in bringing the remaining few issues and questions closer to final conclusion.

Two key issues have been pending, as of late, which are interlinked. Ever since the process of verification under the current format started, the question of the origin of some low enriched uranium as well as traces of high enriched uranium have been the major and fundamental points based on which concerns have been raised by the Agency and the Board of Governors. We maintained, from the outset, that Iran had not conducted such enrichment activities with the centrifuges aside from those reported in our October 21, 2003 statement. As we saw it, the only possible source for the LEU and HEU traces should have been contamination from outside sources. The Agency had already concluded in the past that this assertion is viable.

We are grateful that, with assistance of third countries, the Agency has now had the chance to physically inspect some centrifuges or components which are apparently of the same type as those acquired by Iran.

Once this is achieved, the other questions related to verifying Iran's centrifuges enrichment programme should also be moved to a final conclusion. Some questions may still remain pending on specific points related to the work of the intermediates. To this end, we have provided whatever available at our disposal to the Agency and we will not hesitate, to make every efforts to clarify ambiguities, if any.

We need to note, however, that these remaining questions are not directly related to the issues at hand and that Iran has already provided, way beyond its safeguards and Additional Protocol obligations, information, evidence, documents with detailed specifics of the process to the Agency. As such, the Agency and the Board of Governors can be certain that Iran has no reason, whatsoever, to withhold related information. Bearing that in mind, we will continue to do whatever that we can, and search wherever possible, to convey, any other information that may surface to the Agency.

On matters related to transparency, we wish to stress that Iran has already been extremely forthcoming on providing access and information to locations unrelated to the nuclear activities which were alleged through scanty reports in certain media to have been engaged in undeclared programmes. In every single case it was established that the hype created through the media was nothing but hoax. We are willing and prepared to continue to consider matters related to transparency, in accordance with our obligation under the IAEA's statute, NPT Safeguards as well as the provisions of the Additional Protocol which is voluntarily implemented by Iran.

I have to remind the fact that the voluntary suspension, being non-legally binding, as confidence building measures, remains in force for the time being, has been verified by the Agency. Iran is voluntarily implementing the Additional Protocol as if Iran has ratified it. Over 1000 pages of initial declarations, in accordance with the provisions of the Additional Protocol, have been submitted to the Agency and are verified. Furthermore, over 20 complimentary accesses in accordance with Article 4 of the Additional Protocol, mostly with short notice of two hours, have been so far granted. I

refrain to go into more details of our extensive cooperation with the IAEA to say that more than 1200 man-day-inspections have been conducted in Iran during the last two years, which is unprecedented in the history of the IAEA.

On the larger picture, I believe most of the Governors here are already informed about the state of negotiations between Iran and the three European countries and the EU. Iran has put forward a comprehensive framework which incorporates guarantees on all the issues which have been subject to negotiations, i.e. guarantees from Europe and guarantees from Iran. On ways and means that would provide the objective guarantees on our nuclear programme we have been particularly forthcoming and we have presented measures which would, with a high level of confidence, ascertain the peaceful nature of our programme.

Our European interlocutors, after consideration of the framework, have suggested that they will prepare a counter proposal which would be developed and presented some time next month. The nuclear fuel production is a central part of any potential mutual acceptable agreement. We will of course render every effort to arrive at such an agreement. Time however is of essence and we cannot keep our peaceful nuclear facilities idle for much longer.

Thank you.

# **August 2005**

#### Madam Chair, Colleagues

We meet when the world is remembering the atomic bombings of the civilians in Hiroshima (6 August) and Nagasaki (9 August) sixty years ago. The savagery of the attack, the human suffering it caused, the scale of the civilian loss of life turning individuals, old and young, into ashes in a split second, and maiming indefinitely those who survived should never be removed from our memory. It is the most absurd manifestation of irony that the single state who caused this single nuclear catastrophe in a twin attack on our earth now has assumed the role of the prime preacher in the nuclear field while ever expanding its nuclear weapons capability.

We as members of the Non-Aligned Movement are proud to underline that none of the NPT members of the NAM rely on nuclear weapons in anyway for their security. That is not the case of many other States, who either possess nuclear weapons or are member of nuclear-armed alliances and it is such States that have taken on the self-assigned role of denying Iran its legal rights under the NPT to access the peaceful uses of nuclear technology in conformity with the Treaty's nonproliferation obligations.

Indeed, it is not only Iran – but also many members of NAM that are denied the peaceful uses of nuclear technology by some of the NPT nuclear-weapon States and their allies through the mechanisms of export controls and other denial arrangements. In 1995, they adopted the so-called "Iran clause" under which they agreed to deny nuclear technology to Iran in any circumstances.

You can then understand, why Iran after being denied nuclear technology in violation of the NPT, had no other option but to rely on indigenous efforts with precaution on full transparency and we succeeded in developing our nuclear technology. Iran is a nuclear fuel cycle technology holder, a capability which is exclusively for peaceful purposes.

The Leader of the Islamic Republic of Iran, Ayatollah Khamenei has issued the Fatwa that the production, stockpiling and use of nuclear weapons are forbidden under Islam and that the Islamic Republic of Iran shall never acquire these weapons. President Ahmadinejad, who took office just recently, in his inaugural address, reiterated that his government is against weapons of mass destruction and will only pursue nuclear activities in the peaceful domain. The leadership of Iran

has pledged at the highest level that Iran will remain a non-nuclear-weapon State party to the NPT and has placed the entire scope of its nuclear activities under IAEA safeguards and additional protocol, in addition to undertaking voluntary transparency measures with the Agency that have even gone beyond the requirements of the Agency's safeguards system.

Nuclear energy is expected to become once again a primary source of energy, with the rising demand for oil and gas and the ensuing increase in the prices, which incidentally can sharply accelerate for any political provocation. We should add to this the concerns about the environment, and the world will have no alternative but to revert back to nuclear energy, at least for decades to come. This implies that many countries in the developing world would have to acquire or produce their own facilities for nuclear energy as well as nuclear fuel. The moves towards restrictions on nuclear fuel production under the pretext of non-proliferation are bound to make the developing countries dependant on an exclusive cartel of nuclear fuel suppliers; a cartel that has a manifest record of denials and restrictions for political and commercial reasons.

For Iran, as the chief target of denials, it is only reasonable to continue to develop and expand its nuclear fuel production capability to meet its requirements for nuclear energy. This process takes time, it takes years to complete. To meet our needs five to ten years from now we need to start today if today is not already late. For Iran it is a strategic economic goal to be a supplier of the nuclear fuel and energy, for its domestic needs and beyond. We are a major player in the oil and gas sector. We will be a player in the nuclear field.

Iran's communication of 1 August 2005, to the Director General and distributed in IAEA document INFCIRC/648, contains a summary of the events relevant to Iran's peaceful nuclear programme. For more than two years, after the full declaration of our entire scope of nuclear activities and accepting the most intensive on-site robust verification carried out by the Agency, we have maintained our full cooperation with the Agency's safeguards inspectors and to their credit last November the Agency confirmed in Paragraph 112 of the DG's report that "all the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities." You will recall that the Director-General confirmed in Paragraph 52 of his November 2003 report that "to date, there is no evidence that the previously undeclared nuclear material and activities referred to above were related to a nuclear weapons programme."

In the same spirit, we are cooperating with the Agency to reach the broader conclusion, through the application of the verification measures contained in the additional protocol, to demonstrate conclusively the absence of any undeclared nuclear material and activities in our country. A feat achieved so far by only six member states.

As mentioned in INFCIRC/648, in October 2003, Iran entered into an agreement with France, Germany and the United Kingdom with the explicit expectation to open a new chapter of full transparency, cooperation and access to nuclear and other advanced technologies. Iran agreed to a number of important transparency and voluntary confidence building measures and immediately and fully implemented them.

More relevant to the meeting today, Iran began and has continuously maintained for the past 20 months a voluntary non-legally binding suspension of its civilian uranium enrichment activities as a confidence-building measure. In February and November 2004, following agreements with E3/EU in Brussels and Paris respectively, Iran again voluntarily extended the scope of its suspension to incorporate activities that go well beyond the Agency's definition of "enrichment" and "enrichment-related" activities.

In the past several months after the Paris agreement was reached, we offered every opportunity and every perceivable flexibility to the E3/EU to come to an agreement on the resumption of the operation of the UCF plant in Esfahan, the least sensitive segment of the nuclear fuel production. But occasional flexibility from our counterparts was retracted time and again due to intransigence or lack of willingness and ability to arrive at an agreement thereby frustrating the hopes for an agreement all together.

Let me recall that installation, erection and commissioning of the Esfahan UCF have all been made in full compliance with our safeguard obligations. There has not been any failure in this regard. Questions and issues raised by the Agency about this segment of the process have been comprehensively and conclusively dealt with. Since September 2004 there is no outstanding issue about the UCF and the facility is routinely under safeguards. There is no ground whatsoever, therefore, for any concern over safeguarded operation of this facility.

Iran requested the Agency to be prepared for the implementation of the required monitoring and surveillance measures in a timely manner to allow the resumption of activities at UCF. Iran did this in an open and transparent manner. The Agency informed us that surveillance measures would be in operation by Wednesday morning. Iran has agreed not to remove the seals until that time.

The E3/EU has yet to honor its recognition, in the Paris Agreement of November 2004, "Iran's rights under the NPT exercised in conformity with its obligations under the Treaty, without discrimination. The Paris Agreement is founded on an equal exchange of objective and firm guarantees between Iran and Europe to for the basis of a mutually acceptable agreement. Their recent proposal of the E3/EU never even mentions the terms "objective guarantees", "firm guarantees" or "firm commitments", thereby indicating the total departure of its authors from the foundations of the Paris Agreement. The proposal replaces "objective guarantees" with termination of Iran's hard gained peaceful nuclear program. At the same time, it equates "firm guarantees and firm commitments" with vague, conditional and partial restatements of existing obligations.

Iran's proposal to the E3/EU on objective and firm guarantees was fully consistent with the terms of the Paris Agreement. The E3/EU rejected that reasonable and generous proposal. Their proposal, on the other hand, was so inadequate and demeaning that could only be flatly rejected. Therefore it is not reasonable or fair to expect Iran to continue with its voluntary and non-legally binding suspension of "enrichment-related activities" for much longer. Nothing in our current and projected actions is illegal or contrary to any of Iran's international legally-binding obligations.

Now:

- *Will Iran resume safeguarded operations at UCF?* Absolutely, it is within our rights. We will restart UCF under Agency monitoring at a date of our choice.
- *Will Iran give up its civilian uranium enrichment capability?* Absolutely not. Our suspension was voluntary and non-legally binding and can be terminated at any time of our choosing. However, for the present, we will maintain suspension at Natanz.
- *Is the E3/EU proposal for a framework agreement satisfactory?* As we have said, the E3/EU proposal is wholly inadequate and runs counter to the letter and spirit of Paris Agreement.

- *Is Iran threatening to leave the NPT or Agency safeguards?* Never. We have repeatedly stated our firm commitment remain a member of the NPT and of Agency safeguards in good standing.
- If Iran resumes operations at UCF, the E3/EU say that they will support the US to refer Iran to the Security Council for its past failures or for resumption of enrichment related activities? As we have said, first, Iran's suspension of its enrichment-related activities in conformity with the NPT is purely on a voluntary and non-legally binding basis; second, the Agency's original definition of enrichment did not include conversion activities. The Statute stipulates referral to the Security Council, not on the grounds of failures, but only if and when diversion to prohibited purposes has been established. No evidence has been found of any diversion through intrusive and sustained inspections as the Director General has reported; hence no legal basis for referral.

By limiting the activity to the UCF in Esfahan, Iran has demonstrated maximum restraint. We have sustained, for now, all other confidence building measures, leaving the door open for negotiations despite the failures so far. We still believe that an agreed arrangement on our nuclear program, including for the UCF, is both possible and accessible. The decision here can trigger a trend of confrontation, which is bound to escalate and where every one stands to lose. If that is what the E3/EU has opted for, they should shoulder the responsibility for consequences. If E3/EU chooses negotiations, and are prepared to do so in good faith and without preconditions, we will entertain the same.

Thank you

# August 2005 after resolution

### STATEMENT OF THE ISLAMIC REPUBLIC OF IRAN After Resolution August 2005

What was this debate about? What has this body reacted to? What were the motives? What was the purpose? What is the outcome? What is at stake?

The issue at hand was simple: "Iran has commenced operation at a safeguarded facility to produce feed for nuclear fuel under full scope monitoring of 1he IAEA."

Let me state this again with a slight modification: "A NNWS party to the Treaty and the member of the Agency's Safeguards has commenced operation at a safeguarded facility to produce feed for nuclear fuel under full scope monitoring of the IAEA.

This is the core of the debate.

Was anyone able to explain how this could be an issue in the first place? Was anyone able to suggest why and under which pretext the Board had to convene urgently to deliberate on this matter? Was anyone able to describe what provoked an alarm that called for a quick-fix reaction?

I do not believe anyone here had a single convincing response to these questions. The reason is clear -because there is none. How can this body be called to react to an act which is in full conformity with the NPT and the Safeguards and constitutes a limited manifestation of the exercise of an inalienable right. A right, which by its own simple meaning, cannot be alienated from anyone.

The states who prompted this debate and were the proponents of this decision today imply that they do so under the precept of non-proliferation.

At the same time, these states either possessors of nuclear weapons or rely on them for their security in one form or the other, or are the exclusive producers of nuclear fuel, or have stood firm on not foregoing this capability under any circumstances.

The point is, how can a small amount of feed material for enrichment to produce nuclear fuel be a matter of concern whereas a number of these states, including nonnuclear weapon states amongst them, are sitting on many tons of separated plutonium which can be directly diverted to nuclear weapons, at any time of their choosing?

The conventional reply has been that these states have good standing with the Safeguards. What they forget to say is that these states have never been forcefully denied access to nuclear material, equipment and technology. Give us a fraction of that access and we will make an example of fullest possible transparency, and will be in exemplary standing.

It is evident that the motive is to apply pressure, to the victim of the denials. And the purpose, it is obvious, is to move from denial to deprivation. A prescription which is written for Iran but which will be rolled for all other developing states too if Iran bends. Fortunately, Iran will not bend. Iran will be a nuclear fuel producer and supplier within a decade.

Iran like all other developing countries and member of the NPT, has rejected nuclear weapons, decisively and firmly. All Iran wants to do is to enjoy its right under the NPT, the right which has been denied to it for more than two decades, a denial that has been firm and decisive.

The Agency is founded on the premises of:

First: providing and facilitating nuclear material and technology for peaceful purposes.

Second: Safeguarding material and facilities

Third: Ensuring safety

The first obligation of the Agency is severely undermined, at the behest of the second. No wonder the Americans call this Agency the UN Watchdog, the term that is demeaning and condescending to the integrity of this Organization.

If you go by the book, the Agency should be assisting Iran to operate and improve its fuel production capability, including the segment of UCF, just as it should for all other developing states. Well, we understand that it has been disabled and prohibited to perform this obligation. But what is absurd is that a decision is passed here which betrays even the Agency's second, more revered objective. If this Body expresses concern over the operation of our facility which is under Safeguards and which is fully monitored, then what should this Body say about so many unsafeguarded facilities spread around in other parts of the world, and particularly in our region?

The Americans have for long maintained, demonstrated, and acted upon the conviction that assurances of non-diversion of the Agency are not credible. The same

conviction leads that country to ignite a war in no less than two years ago. But is this deja-vu again? I am sorry, not this time - Iran is not Iraq, and the United States is not that self-appointed policeman of the world anymore. The decision today is, apres tout, a vote of no confidence to the Agency and its Safeguards system; It signals the beginning of the road to an unwanted and undue confrontation through which, in the words of the Director-General, all parties stand to loose.

We believe in the Agency and the Safeguards system.

We will continue to work with the Agency.

We will maintain our activities fully under Safeguards.

The operation at the UCF in Esfahan will remain under full scope monitoring.

The product will be sealed by Agency.

In one word, we will fully observe our obligations in our programme of producing nuclear fuel. So there is no point for concern whatsoever.

We will not heed to questioning of the Agency's credibility that this resolution stands for.

This resolution is, in essence, a vote of no confidence to the credibility of the Agency and its Safeguards system.

The appeal by the United Nations Secretary General and the Director-General here to revert to negotiations, we will be prepared, despite this hoopla, for negotiations, free of pre-conditions and with manifest good will.

# ANNEX 5

### **REFERENCES**

1- IAEA Statute

2- Text of NPT

3- Comprehensive Safeguards (INFCIRC/153)

4- Safeguards Agreement of Iran (INFCIRC/214)

5- Additional Protocol (INFCIRC/540) 6- Iran's Comments on DG's reports to the Board of Governors (INFCIRC/628, INFCIRC/630)

7- Iran-EU3 Paris Agreement (INFCIRC/637)

8- INFCIRC/648

9- Report of Director General: The initial oral report(17 March 2003) and ten written reports: GOV/2003/40, dated 6 June 2003; GOV/2003/63, dated 26 August 2003; GOV/2003/75, dated 10 November 2003; GOV/2004/11, dated 24 February 2004; GOV/2004/34, dated 1 June 2004, and Corr.1, dated 18 June 2004; GOV/2004/60, dated 1 September 2004; GOV/2004/83, dated 15 November 2004;, dated 1 August 2005; GOV/2005/61, dated 8 August 2005; and GOV/2005/62, dated 10 August 2005. In addition, the Deputy Director General for Safeguards made oral statements to the Board on 1 March 2005 (GOV/OR.1119) and on 16 June 2005 (GOV/OR.1130).