

IAEA Board of Governors
Record of the 1130th Meeting
GOV/OR.1130

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Nuclear Verification
(e) Other safeguards implementation issues

Board of Governors

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Record of the 1130th Meeting

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¹ GOV/2005/45

Attendance

(The list below gives the name of the senior member of each delegation who attended the meeting, as well as that of any other member whose statement is summarized in this record.)

Ms. HALL	Chairperson (Canada)
Ms. FEROUKHI	Algeria
Ms. KELLY	Argentina
Ms. STOKES	Australia
Mr. NIEUWENHUYS	Belgium
Mr. VIEIRA DE SOUZA	Brazil
Mr. PROUDFOOT	Canada
Mr. WU Hailong	China
Mr. MOREJÓN-ALMEIDA	Ecuador
Mr. THIEBAUD	France
Mr. HONSOWITZ	Germany
Mr. ARYENE	Ghana
Mr. HORVÁTH	Hungary
Mr. SHARMA	India
Mr. DE CEGLIE	Italy
Mr. TAKASU	Japan
Mr. CHO Chang-Beom	Korea, Republic of
Ms. ESPINOSA CANTELLANO	Mexico
Mr. KOP	Netherlands
Mr. SAMBO	Nigeria
Mr. BUTT	Pakistan
Mr. BELEVAN-McBRIDE	Peru
Mr. BYLICA	Poland
Mr. SENNFELT	Portugal
Mr. BERDENNIKOV	} Russian Federation
Mr. POPOV	
Mr. GAFOOR	Singapore
Mr. MACHÁČ	Slovakia
Mr. MINTY	South Africa
Ms. WIJEWARDANE	Sri Lanka
Ms. MELIN	Sweden
Mr. BOUGACHA	Tunisia
Mr. WRIGHT	United Kingdom of Great Britain and Northern Ireland
Ms. SANDERS	} United States of America
Mr. SEMMEL	
Ms. GARCÍA de PÉREZ	Venezuela
Mr. LAI NGOC DOAN	Vietnam
Mr. AL-MAKTARI	Yemen
Mr. ELBARADEI	Director General
Mr. GOLDSCHMIDT	Deputy Director General, Department of Safeguards
Mr. ANING	Secretary of the Board

Representatives of the following Member States attended the meeting:

Armenia, Austria, Azerbaijan, Bolivia, Bosnia and Herzegovina, Bulgaria, Chile, Colombia, Côte d'Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, Greece, Holy See, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Jordan, Kenya, Latvia, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Malaysia, Morocco, Namibia, New Zealand, Norway, Paraguay, Philippines, Romania, Saudi Arabia, Slovenia, Spain, Switzerland, Syrian Arab Republic, Turkey, Ukraine, Uruguay.

Abbreviations used in this record:

AEOI	Atomic Energy Organization of Iran
DPRK	Democratic People's Republic of Korea
EFTA	European Free Trade Association
Euratom	European Atomic Energy Community
GRULAC	Latin American and Caribbean Group
HEU	high-enriched uranium
LEU	low-enriched uranium
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
OECD	Organisation for Economic Cooperation and Development
SAGSI	Standing Advisory Group on Safeguards Implementation
SIR	Safeguards Implementation Report
SQP	small quantities protocol
SSAC	State System of Accounting for and Control of Nuclear Material

* Speakers under Rule 50 of the Provisional Rules of Procedure are indicated by an asterisk.

6. Nuclear verification

(e) Other safeguards implementation issues (continued) (GOV/2005/33)

1. Mr. GAFOOR (Singapore) said that there was a link between verification, non-proliferation and collective security. For its safeguards to remain credible and effective, the Agency had to be given the assistance and authority to undertake verification activities in order to draw the necessary safeguards conclusions on the nuclear activities of States. The SQP as it stood was a weak link in the safeguards chain.

2. Neither of the options put forward by the Secretariat in document GOV/2005/33 would impinge substantially on the Agency's safeguards budget and both options would redress the important limitations placed on safeguards implementation. Singapore was open to both options, but its preference was for a modified SQP. That would help encourage countries to sign comprehensive safeguards agreements, thereby promoting their universalization. A modified SQP would also serve the purpose of plugging the important loopholes of the existing SQP regime while remaining sufficiently flexible. It would not place an extensive burden on States with negligible nuclear activities that might also have limited resources and lack of expertise in that area.

3. His country supported the call for informal consultations. He requested that the Secretariat prepare a comparative analysis of the two options and the obligations under each one, perhaps in the form of a one-page table. Such an analysis would allow the Board members to have a comprehensive overview of the situation and take an informed decision.

4. Ms. KELLY (Argentina) said that the Agency had to be in a position to provide safeguards assurances for all States and there was a particular need to resolve some of the limitations mentioned in document GOV/2005/33. Of especial importance were the initial declaration of nuclear material and the obligation to supply design information as soon as an installation was planned or authorized, whichever came first. Her country would welcome more information on the costs that any solution might entail for the Agency and Member States, especially considering the fact that 75 States had SQPs in force.

5. It would not be advisable to discuss the issue at the current meeting, not only because of its complexity and possible implications but also because one or more alternative safeguards schemes could be designed that gave due consideration to the fact that the measures taken had to be efficient and effective while fully recognizing that the countries in question had few or no nuclear activities and possessed only small quantities of nuclear material or even none at all. Those alternative proposals should be adaptable to each country concerned. The Secretariat should consider cost-effective implementation alternatives and provide an estimate of the impact of implementation, especially as regards cost, to be presented to the Board in September.

6. Ms. WIJewardane (Sri Lanka) said that her country recognized the constraints and limitations placed on safeguards implementation by SQPs, especially where a State had no additional protocol. The Secretariat was right to seek guidance on the matter from the Board. Both of the solutions it had proposed strengthened the basis for drawing safeguards conclusions by providing the Agency with important safeguards-relevant information and the authority to perform verification activities in the States in question.

7. Any proposed course of action should take cognizance of the limited national capacity and resources of some SQP States with limited holdings of nuclear material to meet additional safeguards requirements. Therefore, retaining the SQP in a modified form could be preferable. Further consultations were clearly necessary.

8. Mr. PROUDFOOT (Canada) said that the Board had a responsibility to provide the guidance sought by the Secretariat regarding SQPs in a timely fashion.

9. His country placed great emphasis on the international community's confidence in the annual conclusions drawn by the Agency and was therefore concerned that the value of the conclusions currently drawn for SQP States was diminished by the protocol's inherent limitations. Conclusions for States with an SQP but no additional protocol were based entirely on information coming from sources other than the State in question. That situation could not be satisfactory either for the State concerned or for the Agency. Although an SQP lessened the safeguards burden on the Agency and on States which possessed only small quantities of nuclear material, it did not serve the interests of Member States or of the non-proliferation regime.

10. Canada favoured the Secretariat's second proposed option, i.e. to reform or modify the SQP, and it urged the Secretariat to carry out the implementation of amended SQPs systematically by establishing priorities on the basis of State-level analysis. If, however, the Board chose to recommend the rescission of SQPs globally, Canada would not oppose its decision. No further individual SQP request should be considered until the matter was resolved. His country supported further consideration of the matter with a view to the Board taking a decision in September.

11. Mr. WRIGHT (United Kingdom) said that his country recognized the inadequacies of the SQP and, as it had made clear in March, it would prefer it if the Board were only asked in future to approve comprehensive safeguards agreements and additional protocols. While it understood the legal difficulties involved, it found it odd that, until progress was made on the issue, the Board might be asked to approve agreements which it knew to be flawed.

12. Three things were needed: it should be agreed that there would be no new SQPs; a set of suitable arrangements should be defined to enable the Agency to draw appropriate conclusions in States with no significant nuclear activities; a decision should be taken as to how SQP States could be brought into line with the new arrangements, including a timescale.

13. Any further consultations with interested parties should recognize the interests of States without significant nuclear activities. To support such a process, an early briefing by the Secretariat of all interested Member States would be useful. Given the momentum clearly generated, it should be achievable for the Chairperson to report proposals to the Board in September. As an absolute minimum, there should be a proposal to remove further SQPs from the inventory of agreements available to Member States.

14. Mr. POPOV (Russian Federation) said that his country supported the Secretariat's initiative to strengthen implementation of safeguards in States with SQPs.

15. In order to draw reliable safeguards conclusions, the Agency needed to remove the limitations inherent in the SQP so as to ensure effective verification in SQP States. The matter had nothing to do with suspicions of undeclared nuclear activities in SQP States.

16. Russia supported the Agency's first suggestion in document GOV/2005/33, i.e. not to authorize the conclusion of any further SQPs and to call on each State for which an SQP had previously been approved by the Board to rescind that protocol. Such a move would strengthen the links between the States and the Agency and should not involve any increase in the Agency's Regular Budget, any

additional expenses being covered by the funds allocated for nuclear verification under the 2003 package proposal.

17. Ms. STOKES (Australia) said that SQPs imposed constraints on the implementation of effective safeguards, including the Agency's ability to obtain safeguards-relevant information and access and its ability to draw safeguards conclusions. Her country shared the Secretariat's concern and called upon all Board Members to consider the SQP issue in the context of ensuring the credibility of the safeguards system as a whole.

18. SQPs relied on a claim by the States concerned that they had only limited nuclear material. To strengthen safeguards, the Agency needed the right to take appropriate measures to confirm the completeness and correctness of the information provided by the States in question. The Agency's ability to draw valid safeguards conclusions should not be constrained. Her country had no doubt that SQP States that supported an effective safeguards system would have no objection to the Agency undertaking necessary verification activities.

19. However, it understood that States with limited holdings of nuclear material would want to avoid unnecessary workload and costs. A balance could be achieved by applying a State-level approach under which a judgement on what activities were required would be made on a case-by-case basis. For the majority of SQP States, little if anything would change.

20. There was a third option in addition to the Secretariat's proposals, which was to maintain the status quo. However, Australia did not believe that ignoring the issue was an appropriate response to the problems raised. Regardless of which option was chosen, SQP States should conclude additional protocols without delay.

21. Rescission of SQPs would seem to be the simplest option, provided that it was clear that, in practice, the requirements applying to each relevant State would be determined on a case-by-case basis. On the other hand, the modification option seemed a more reasonable way of addressing the issue, since it better recognized that safeguards implementation for States with limited holdings of nuclear material should be different to other States and it was more consistent with a case-by-case approach. One concern that needed further attention was the possibility that a State might request exemption of its nuclear material from safeguards pursuant to paragraph 37 of document INFCIRC/153, which would negate most of the improvements that both proposals sought to make.

22. Another aspect requiring examination was whether an SQP should enter into effect before the Agency had received the initial report and — where the Agency considered it necessary — had performed an ad hoc inspection to verify that initial report. Her country was of the view that an SQP should not enter into effect until the Agency was satisfied that the request for it was correctly based.

23. Pending a decision, the Board should call on States with an SQP but no additional protocol to cooperate fully with the Secretariat to confirm that the basis for the SQP, namely the absence of significant nuclear material and activities, remained valid. That would involve SQP States providing an initial report on nuclear material, allowing the Agency access to verify it if required, and undertaking to provide early design information.

24. Australia could support further consideration of the modified SQP options, including consultations with Member States, on the understanding that action needed to be taken sooner rather than later, preferably in September. In the meantime, no further SQPs should be brought before the Board for its consideration.

25. Mr. SEMMEL (United States of America) said that, unless the Secretariat could verify whether the basic condition for the application of the SQP remained in effect, namely that there were no nuclear facilities or nuclear material above a certain threshold, the Agency would not be able to draw

meaningful conclusions about nuclear activities in States with such protocols. His country believed that either option presented in document GOV/2005/33 would achieve that aim. His Government preferred the second option, i.e. to retain the SQP but limit its scope. The SQP minimized the impact of safeguards on States without significant nuclear activities and facilitated adherence to comprehensive safeguards agreements, which would still be the case under the Secretariat's proposal.

26. No further SQPs should be considered until the matter was resolved. If a decision could not be taken at the current series of meetings, the Secretariat and the Chairperson should continue consultations with a view to taking a decision at the next series of meetings.

27. Mr. VIEIRA DE SOUZA (Brazil) said that, though document GOV/2005/33 was technically sound, SQPs had been in force for over 35 years and paragraph 5 of the document stated that the Secretariat was not aware of any credible information to suggest that there were any activities in an SQP State that would be of proliferation concern. He therefore requested additional detailed information on the role that the proposals would play in strengthening the safeguards system. Member States could also benefit from additional information on the results of the consultations that the Secretariat had been holding with SQP States.

28. It was important to have a precise and thorough assessment of the financial implications of the proposals. The language in paragraph 9 of the document was rather vague and did not tackle the issue in an appropriate manner. He also stressed the need to maintain an appropriate balance in the resources allocated to the different statutory activities of the Agency and recalled the significant increase approved two years previously for the area of safeguards.

29. No rule should be established under which the Agency would have to make an inspection or conduct a complementary access at least once a year in order to arrive at safeguards conclusions for SQP States. The Agency's conclusions for SQP States should continue to be based on the analysis of information.

30. With those comments, Brazil was prepared to join a consensus on either proposal contained in document GOV/2005/33.

31. Ms. MELIN (Sweden) said that, for the Agency to perform its safeguards verification activities, adequate authority was required and, to demonstrate that a State was fulfilling its nuclear non-proliferation obligations, the Agency had to be able to draw relevant and well founded safeguards conclusions. Only then could all Member States benefit equally from its safeguards statements.

32. Her country favoured further consultations on ways to remedy the shortcomings of the SQP and find a solution that would lead to well structured Agency safeguards appropriate for implementation in Member States with only limited activities involving nuclear material.

33. Mr. CHO Chang-Beom (Republic of Korea) said that his country shared the Secretariat's concerns regarding the safeguards constraints arising from SQPs and welcomed the two alternatives suggested in document GOV/2005/33 as timely and appropriate. Given the challenges in the nuclear security environment over the preceding few years and the corresponding need for a reliable and credible safeguards system, an early Board decision on the future of SQPs was needed.

34. His country was flexible on the matter, but its preference was that the Board should agree not to authorize the conclusion of any further SQPs and to call on each SQP State to rescind its protocol through an exchange of letters with the Agency. That was the clearest and simplest option.

35. Several practical problems needed serious consideration.— Many SQP States would be naturally hesitant or resistant to the proposals. The complete rescission of all existing SQPs was likely to take a long time to achieve. The conclusion of an additional protocol with SQP States would still

not be sufficient to satisfy verification requirements. Furthermore, even within the category of SQP States there seemed to be a distinction between States that possessed no nuclear material or facilities and those involved in nuclear activities with small quantities of nuclear material. All such problems had to be taken into account when coming to a decision. His country would welcome a solution that eliminated all the loopholes and met the concerns of SQP States. He encouraged Board Members to hold further consultations on the matter with a view to reaching a consensus as soon as possible on an appropriate manner to address the problem.

36. Mr. WU Hailong (China), noting the different proposals contained in document GOV/2005/33, expressed support for the Agency's efforts to improve its safeguards system but pointed out that the Agency needed to be objective about the realities of SQP States. Adding unnecessary burdens to such States and the Agency should be avoided as far as possible. The possible solutions proposed by the Secretariat involved legal, financial and technical considerations. As Member States had not reached a consensus, his country supported a further in-depth study by the Board with a view to finding a solution acceptable to all parties.

37. Ms. BRIDGE (New Zealand)* said that, when SQPs were introduced, it had been as an efficiency measure as it was thought that States with no or limited nuclear material should not be subject to the same requirements as others. Since their introduction, the international environment had changed dramatically with significant advances in nuclear technology and its easy accessibility. There was now a need to balance efforts to support efficiency against the Agency's need to be able to draw complete safeguards conclusions in all Member States. Her country was prepared to support either proposal put forward in document GOV/2005/33; however, it was mindful of the burden that might be imposed by additional reporting requirements for very small SQP States in its own region. It supported the suggestion that further consultations be held on the matter.

38. Mr. AL-MAKTARI (Yemen) said that, in his country's view, the claim that SQPs had certain shortcomings was unjustified. It was not of the opinion that States with SQPs, including Yemen, should rescind them or agree to their being modified. That would weaken, not strengthen the Agency's safeguards system. The Secretariat had for a long time advocated SQPs and Yemen was very concerned about the change in its attitude towards them.

39. Mr. GOLDSCHMIDT (Deputy Director General for Safeguards), responding to the comments of the representative of Yemen, said that rescinding SQPs would not mean rescinding the comprehensive safeguards agreements to which they related. Rather than weakening the Agency's safeguards system, it would eliminate certain constraints on the system.

40. In response to other speakers, he noted that the Secretariat had provided Member States with copious information about the SQP issue and, in his view, there was little more it could say about it as it was an issue which the Board had to deal with.

41. The cost implications of the Secretariat's proposals seemed to be a major concern. They were not quantifiable but, at all events, they would be minimal. If a State with an SQP had no nuclear material and no nuclear facilities, and no plans to build a nuclear facility, it only needed to inform the Secretariat accordingly. If it did have nuclear material, despite having concluded an SQP it was required to establish an SSAC as envisaged in paragraph 7 of document INFCIRC/153 (Corrected). The requirement that a State with nuclear material should establish an SSAC should not be regarded as an imposition on that State. It was important that every State know exactly what was being done with the nuclear material within its territory.

42. The Secretariat was already evaluating information — obtained from open sources — about States with SQPs, and it would conduct verification activities in such States only if an evaluation pointed to the need for such activities. That should occur only very rarely.

43. The implementation of either solution proposed by the Secretariat would require an exchange of letters between the Agency and each State with an SQP. States with SQPs should not find that a great burden. In 2004, there had been an exchange of letters between the Agency and all States with SQPs regarding the establishment of contact points in those States for the purpose of facilitating communication on safeguards-related matters, and those States did not appear to have found that exercise burdensome.

44. For its part, the Secretariat did not expect to have to create a single post for the purpose of implementing either of the solutions proposed.

45. Mr. AL-MAKTARI (Yemen) indicated that he was not satisfied with Mr. Goldschmidt's response to his comments.

46. The CHAIRPERSON said that the Director General had offered to organize a seminar for Member States on the SQP issue in September. Ambassador Bylica of Poland, representing the Governor from Poland (one of the Board's Vice-Chairmen), had agreed to hold consultations with Member States to produce a summing-up on the issue which could be presented to the Board on the following day.

47. She then invited the Deputy Director General for Safeguards to inform the Board about developments relating to the implementation of safeguards in the Islamic Republic of Iran.

48. Mr. GOLDSCHMIDT (Deputy Director General for Safeguards) recalled that, in November 2004, the Secretariat had issued (as document GOV/2004/83) a report on the implementation of the agreement between the Islamic Republic of Iran and the Agency for the application of safeguards in connection with the NPT and on the Agency's verification of Iran's voluntary suspension of enrichment related and reprocessing activities.

49. The Director General, in his introductory statement, had already addressed the issues of suspension, transparency and cooperation. He would therefore limit his comments to other issues and to related developments since his oral update at the Board's March 2005 meetings. In connection with the Agency's verification activities at Natanz, the Agency had noted that Iran was modifying one of the underground structures at that site for the safe storage of equipment, in connection with which it had already submitted updated design information.

50. On 21 May 2005, the Agency had received from another Member State a number of centrifuge components, environmental sampling on which could provide information about the origin of the LEU and HEU particle contamination found at various locations in Iran. The analysis of the swipe samples taken from those components would take approximately two months to complete.

51. The Agency had continued its investigation of the outstanding questions related to Iran's P-1 and P-2 centrifuge programmes. As indicated at the March 2005 Board meetings, the recent emphasis had been on: a 1987 offer of a centrifuge-related design, technology and sample components; technical discussions between Iran and the intermediaries between 1987 and 1993; a mid-1990s offer of P-1 centrifuge documentation and components; and shipping documents related to the delivery of those documents and components.

52. As regards the 1987 offer, the one-page handwritten document (without dates, names, signatures or addresses) shown to the Agency on 12 January 2005 in Tehran, said to reflect an offer made by a foreign intermediary, suggested that the offer included the delivery of: a disassembled sample machine; drawings, specifications and calculations for a "complete plant"; and materials for 2000 centrifuge machines. The offer had also included the provision of auxiliary vacuum and electric drive equipment and uranium reconversion and casting capabilities. Iran had stated that only some of the items had been delivered, and that all of those items had been declared to the Agency. The Agency had

repeatedly, most recently in a letter dated 14 April 2005, asked to have access to and copies of the original documentation reflecting the 1987 offer. In its 2 May 2005 reply to that letter, and in an amplification provided on 8 June 2005, Iran had stated that “[the] one page document provided to the Agency is the only existing one”. Iran had further stated that the intermediaries had offered the reconversion unit with casting equipment on their own initiative and that, as the AEOI had not requested it, it had not received it.

53. Among other issues, the Agency still needed to understand what contacts had taken place during the period 1987–1993 between Iran and the intermediaries and why similar design documents on P-1 centrifuges had been delivered again in connection with the new offer made around 1994. That was important for establishing the chronology and sequence of the events associated with the development of Iran’s enrichment programme, in particular with a view to ensuring that there had been no other development or acquisition of enrichment design, technology or components by Iran. In its communication received on 8 June 2005, Iran had stated that, apart from the meetings and discussions about which Iran had already informed the Agency, no other discussions on centrifuge enrichment had taken place.

54. In a letter dated 17 January 2005 and a letter dated 6 April 2005, Iran had informed the Agency that no written documentation relevant to the offer made in 1994 initially to an Iranian company unrelated to the AEOI for the delivery of P-1 centrifuge documentation, and for components for 500 centrifuges, was available to the Agency.

55. As reported in November 2004 (in document GOV/2004/83), Iran had stated that no work had been carried out on the P-2 design (or any centrifuge design other than the P-1 design) prior to 2002. The reasons given by Iran for the apparent gap between 1994–95 (when the P-2 design was said to have been received) and 2002, and the evidence provided to date in support thereof, did not yet provide sufficient assurance that no related activities had been carried out during that period. The Agency was continuing to investigate the matter and had asked Iran to search further for supporting information and documentation.

56. The Agency had sought from Iran access to documentation which supported Iran’s declarations concerning the number of shipments of enrichment related equipment received by Iran, and the specific contents of those shipments. That was essential for verifying the completeness of Iran’s declarations concerning such equipment. Under cover of a letter transmitted to the Agency on 17 January 2005, Iran had provided copies of a number of shipping documents said to have been related to “2 consignments in 1994 and 1995”, which dates deviated from information provided earlier by Iran, particularly in the case of the new bellows that had previously been said to have been supplied in 1997. In a letter dated 14 April 2005, the Agency had asked Iran for permission to review the original folder of the 1994 shipping documents and to be provided with supporting documents reflecting the content of the shipments made in the 1994 consignments. In its response, dated 2 May 2005, Iran had stated that the new bellows had been shipped in a consignment which had taken place in 1995. Also, Iran had noted that a copy of shipping documents had been provided to the Agency in January 2005 and that those documents indicated “exact shipping dates as well as custom clearance dates.” In its amplification provided on 8 June 2005, Iran had reiterated that “[the] only existing shipping documents are those already submitted to the Agency” and that “considering the nature of the items and the deal no detail specification of the items in the containers exist.”

57. From those shipping documents, it appeared that the first deliveries of P-1 components had started in January 1994, i.e. before the first meeting (previously said to have taken place in October 1994) of the AEOI representative with the intermediary. In response to the Agency’s 9 March 2005 request for additional information in that connection, Iran had replied in its letter of 6 April 2005 that, having checked the service passport of the AEOI representative, “it is clear

that he had made two trips relating to the matter in August and December 1993". Since that was not consistent with earlier information provided by Iran, the Agency had asked to see the original supporting documentation of the two Iranian representatives who had participated in the meetings with the intermediaries. No positive reply had been received thus far.

58. While there were no indications of undeclared mining or milling activities at Gchine, the Agency had, in order to understand better the complex arrangements governing the current and past administration of the mine, requested that the original contract between the AEOI and the engineering company that had constructed the mill at Gchine be made available for Agency review, along with related documentation. The Agency was further investigating why the AEOI had suspended the work on the very promising Gchine project from 1994 to 2000 in order to focus on a much less promising ore deposit at Saghand.

59. Following Iran's conversion of approximately 37 tons of uranium ore concentrate at the Uranium Conversion Facility, and the subsequent clean-out of the process lines, the Agency had carried out a physical inventory verification of the nuclear material (in the form of UF₄, UF₆, scrap and waste) at the Uranium Conversion Facility between 21 and 25 April 2005. From a preliminary assessment, the quantities of material appeared to correspond to those declared by Iran. Until the analysis of the nuclear material samples taken during the physical inventory verification was completed, however, it was not possible to finalize those figures.

60. As indicated in previous reports to the Board, the Agency had been trying to establish the dates of Iran's plutonium separation experiments. Iran had said that the experiments had been completed in 1993 and that no plutonium had been separated since then. The matter had been discussed further with Iran in April 2005. At the request of the Agency, the plutonium discs which had been prepared from the solutions by the facility operator for alpha spectroscopy, and which had been placed under Agency seal in October 2003, had been shipped to Vienna for further analysis. On 20 May 2005, the Agency had written to Iran seeking confirmation of statements made by Iran at the April 2005 meeting to the effect that the solution in one bottle had been processed in 1995 whereas the solution in the second one had been purified in 1998. In a letter dated 26 May 2005, Iran had confirmed the Agency's understanding with regard to that chronology. Those clarifications would be assessed together with the plutonium disc analysis results when they became available.

61. In March 2005, Agency inspectors had, for design information verification purposes, visited the Arak site and had noted that construction of the heavy water research reactor (IR-40) building had started. The visit had included complementary access to the Heavy Water Production Plant, which was currently being commissioned.

62. Ms. HUSSAIN (Malaysia)*, speaking on behalf of the Vienna Chapter of the Non-Aligned Movement, said that NAM welcomed the fact that the Director General had once again confirmed in his introductory statement the positive trend in the implementation of safeguards in Iran, and that Iran had continued to facilitate Agency access to nuclear material and facilities under its safeguards agreement and additional protocol, which was being voluntarily implemented as if Iran had ratified it.

63. It took note of the oral report presented by the Deputy Director General for Safeguards, was encouraged by the fact that, with the cooperation of Iran and other States, the issue of the origin of the LEU and HEU contamination might be resolved shortly, and expected that the other outstanding issues would be resolved accordingly.

64. The substantive progress made in the verification of Iran's nuclear programme and activities for peaceful purposes, and the clear prospects for concluding that process within a short time, confirmed the competence of the Agency to deal effectively with such matters. NAM therefore remained of the view that the issue should be dealt with solely within the framework of the Agency.

65. The suspension of Iran's enrichment and reprocessing activities was a voluntary and legally non-binding measure which was being fully verified by the Agency. It had helped enhance confidence in Iran's nuclear fuel programme and should not be interpreted in any manner that would restrict the inalienable rights of States to engage in peaceful nuclear activities.

66. NAM had taken note of the negotiations between the Government of Iran and the Governments of France, Germany and the United Kingdom, with the support of the High Representative of the European Union, and remained confident that a mutually acceptable long-term agreement on the Iranian nuclear programme for peaceful purposes would be achieved through dialogue.

67. Mr. FABER (Luxembourg)*, speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate countries Turkey and Croatia, the countries of the Stabilization and Association Process and potential candidates Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, and Serbia and Montenegro, the EFTA countries Iceland and Norway, members of the European Economic Area, and Ukraine, took note of the developments regarding Iran reported by the Director General and the Deputy Director General for Safeguards and thanked the Secretariat for its continued professional and impartial work in that connection.

68. The European Union welcomed the continuing cooperation of certain Member States in the resolution of outstanding issues and looked forward to hearing the results of that cooperation in due course. It also fully endorsed the Director General's call on Iran to provide detailed information on outstanding issues and to allow the access to areas and equipment deemed necessary by the Agency. Furthermore, it continued to attach great importance to the need for Iran to comply fully with all relevant Board resolutions and would like to see Iran ratify the additional protocol to its safeguards agreement without delay.

69. It was continuing to support the search for a diplomatic solution to the Iranian nuclear issue initiated by France, Germany and the United Kingdom. Since March 2005, the negotiations on a long-term agreement within the framework of the Paris agreement² had continued. The foreign ministers of France, Germany and the United Kingdom, and the High Representative of the European Union had met Dr. Rohani and other representatives of the Islamic Republic of Iran in Geneva on 25 May and both sides had stressed their continued commitment to those negotiations. By way of follow-up, the European side had undertaken to make detailed proposals to Iran by the end of July/beginning of August. The European Union continued to believe that the solution of the nuclear issue would, inter alia, open the way for a long-term cooperative relationship between it and Iran. The maintenance in good faith by Iran of the full suspension of all its enrichment-related and reprocessing activities was essential for the overall process.

70. Mr. TAKASU (Japan) said that his country considered it essential that Iran fulfil all the legal obligations arising out of its safeguards agreement with the Agency and that it continue to cooperate positively with the Agency with a view to the early resolution of all outstanding issues. Iran should promptly provide all information requested by the Agency and grant the Agency any access deemed necessary by it. Japan hoped that the cooperation which other States had extended to the Agency would continue.

71. In order to allay the concerns of the international community, it was of the utmost importance that Iran respond sincerely to all requests made of it in Board resolutions, including requests concerning the suspension of its enrichment-related and reprocessing activities. It was also of the

² See document INFCIRC/637

utmost importance that Iran ratify the additional protocol to its safeguards agreement as a matter of urgency.

72. Japan greatly appreciated the efforts of the three members of the European Union and hoped that their negotiations with Iran would lead to an agreement on long-term arrangements. It was extremely important that, in those negotiations, Iran agree to provide sufficient objective guarantees regarding its use of nuclear technology for exclusively peaceful purposes.

73. In conclusion, he expressed the hope that the issue would be resolved soon.

74. Mr. PROUDFOOT (Canada) said it was striking that, after two years of intensive work by the Department of Safeguards, important questions regarding Iran's extensive past undeclared nuclear activities remained open and that inconsistencies in the account given by Iran of its centrifuge programme were still unresolved. His country was not convinced that even now Iran was fully complying with its safeguards agreement. For example, certain things reported by Mr. Goldschmidt, particularly with regard to the dates of activities involving plutonium, suggested that further undeclared activities had taken place in Iran. It was essential that Iran cooperate more actively, provide the access and the detailed information mentioned by the Director General, and ratify the additional protocol to its safeguards agreement without delay.

75. The recent threats by Iran to resume uranium conversion, contrary to Board resolutions and to its undertakings vis-à-vis the three members of the European Union, had further eroded confidence in the genuineness of its interest in addressing the serious international concerns about its nuclear activities and ambitions. Canada continued to support the efforts of France, Germany and the United Kingdom to negotiate a long-term agreement with Iran, and the Agency's efforts to verify Iran's suspension of sensitive activities. His country did not dispute Iran's right to have a peaceful nuclear programme, but only the permanent cessation of enrichment- and reprocessing-related activities would constitute an objective guarantee of the peaceful nature of Iran's nuclear programme. Without such a cessation, Iran's past — and possibly present — non-compliance would have to be reported to the Security Council.

76. Mr. BERDENNIKOV (Russian Federation), noting the Director General's comments to the effect that Iran had facilitated Agency access under its safeguards agreement and additional protocol to nuclear material and facilities, said it was important that progress be made in resolving the remaining open issues. He expressed the hope that the Secretariat and Iran would find a solution to the outstanding problems outlined by the Director General and the Deputy Director General for Safeguards that would satisfy all.

77. He welcomed the fact that Iran was maintaining its voluntary suspension of all enrichment- and reprocessing-related activities. Maintenance of the suspension should create favourable conditions for a continuation of the dialogue between the three members of the European Union and Iran. The Russian Federation welcomed that dialogue and would do its best to facilitate agreement on the adoption of mutually acceptable arrangements.

78. In conclusion, he expressed the hope that all interested parties would continue to display a readiness to engage in constructive collaboration.

79. Ms. STOKES (Australia) said that her country was pleased to learn that the Agency was making progress on the origin of the LEU and HEU contamination of equipment at various locations in Iran and was grateful to the Member State concerned for facilitating that verification work. The Agency was continuing to seek cooperation from Iran to allow it to verify information provided by that country about its centrifuge enrichment programmes. The Director General had reported that the Agency was pressing Iran for additional documentation regarding offers of equipment and information on

associated technical discussions between Iran and intermediaries in the procurement network. While Iran had provided some additional documentation and information, she noted that the Director General had said that it was not sufficient to answer several remaining questions.

80. The Agency was seeking Iran's agreement to provide access to dual-use equipment and other information related to the Lavisan-Shian site, and to allow additional Agency visits to areas of interest at the Parchin site. Australia had been particularly disappointed to learn that the history of Iran's plutonium experiments appeared to be different from the version of events previously provided to the Agency. Recalling the Director General's comment at a previous Board meeting that a confidence deficit had been created, she said that Iran should take the necessary steps to address that confidence deficit. It was clearly in that country's interests, as well as those of the wider international community, that a satisfactory solution be reached regarding proliferation concerns relating to its nuclear programme. She called upon Iran to cooperate fully with the Agency in resolving outstanding safeguards issues, including through the early provision of the information and access being sought by the Agency.

81. In relation to Iran's agreement with the three members of the European Union, Australia had been disappointed to see reports in early May 2005 that Iran might be considering resuming its enrichment and conversion activities. It had therefore welcomed the agreement reached later in May to continue negotiations. Equally, it welcomed Iran's commitment to maintaining the suspension of its enrichment-related activities. Maintaining that suspension was a vital element in the effort to achieve a resolution of the issue.

82. Finally, implementation of safeguards in Iran continued to be of major importance to the Board, and the Secretariat should continue to provide it with timely and detailed information on progress on that issue.

83. Mr. WU Hailong (China) said that his country had taken note of the fact that Iran had cooperated with the Agency in the verification of its nuclear materials and facilities pursuant to its safeguards agreement and additional protocol. With the active cooperation of Iran and other countries concerned, the Agency had made progress in the investigation of the LEU and HEU contamination issue. In talks held in Geneva in May 2005 between Iran and the three European countries, both sides had stated that they would continue to strive to negotiate a long-term solution within the framework of the Paris agreement. China welcomed that news.

84. The Iranian nuclear issue could be resolved appropriately within the framework of the Agency through diplomacy, as could clearly be seen from the progress achieved on the issue to date. Resolution of the issue would help preserve the Agency's authority, the effectiveness of the international nuclear non-proliferation regime, and peace and stability in the region. It was also in the common interest of the international community.

85. China had consistently followed the Iranian-European negotiations on a long-term solution of the nuclear issue and had sought to promote progress in those negotiations. It hoped that Iran and the three European countries, in accordance with the common understanding reached at the Geneva talks, would pursue the negotiations, show flexibility, give practical effect to the commitments made and arrive at a long-term solution at an early date. China would continue to support those diplomatic efforts and play a constructive role in that regard. The Board should continue in a constructive manner to encourage dialogue, consultations and cooperation, and create an appropriate atmosphere for increasing mutual trust, implementing results already achieved and advancing the verification process.

86. Ms. SANDERS (United States of America) thanked the Deputy Director General for Safeguards for his detailed briefing on the Iranian nuclear issue. Her Government was grateful for the excellent work he had done for the Agency and for the international community on that and other matters.

87. It was clear from the scope and detail of the unresolved concerns that the confidence deficit created by Iran's lack of full cooperation with the Agency had not been restored. That deficit stood in stark contrast to the growing international consensus that, after two decades of Iranian safeguards breaches relating to the most sensitive aspects of the fuel cycle, two decades of systematic effort by Iran to conceal those violations and Iran's continuing refusal to give full information and cooperation to the Agency, the only acceptable outcome was for Iran to cease and dismantle all nuclear fuel cycle activities. That was why her Government and many others continued to offer its full support to the ongoing diplomatic efforts of France, Germany and the United Kingdom, supported by the High Representative of the European Union. It stood united with those countries and other members of the Board in their resolve that Iran could not be allowed to develop a nuclear weapons capability.

88. Her country welcomed the Director General's statement that the suspension of all enrichment-related and reprocessing activities called for in the November 2004 Paris agreement was holding, despite Iran's provocative threats that it intended to break its suspension commitments and resume sensitive nuclear work. It was troubling, however, that Iran could claim that the Paris agreement did not cover uranium conversion, given the explicit reference in that agreement to all tests or production at any uranium conversion installation. Indeed, Iran's conversion effort was inseparable from enrichment, in that the only purpose for converting yellowcake to uranium hexafluoride was to produce feed material for enrichment. Her country was also troubled by the undiminished assertions from Iranian leaders that Iran intended to continue its enrichment programme.

89. Any final agreement as envisaged in the Paris agreement had to include an agreement by Iran to provide objective guarantees that its nuclear programme and activities were exclusively peaceful. Those guarantees should include the cessation and dismantling by Iran of all nuclear fuel cycle activities, verified over a significant length of time. Any activity that assisted Iran in getting closer to the ability to produce fissile material should fall within the scope of a cessation and dismantling agreement. Such an agreement should encompass, at a minimum, all uranium conversion, all uranium enrichment, all heavy water-related activities and any plutonium reprocessing activities.

90. To facilitate effective verification of such an agreement, Iran should, as a minimum, ratify and fully implement an additional protocol. There should be clear consequences should it continue to deny or impede access to locations or individuals where the Agency deemed such access necessary. Until such an agreement was reached, Iran should adhere fully to its suspension commitments with no further provocative rhetoric to the contrary. The Governments of France, Germany and the United Kingdom had already made it very clear to Iran what the immediate consequences would be should it break its suspension commitments. The United States welcomed that clarity and hoped that other members of the Board would join in urging Iran not to take provocative steps, and in calling on it to negotiate in good faith with the three members of the European Union.

91. She expressed the hope that members of the Board would join her in recognizing that the resolution adopted by the Board on 29 November 2004, contained in document GOV/2004/90, as well as the preceding five resolutions concerning Iran, remained very much in effect. Consistent with those resolutions, the United States awaited the day when the Agency could draw well justified conclusions regarding the absence of undeclared nuclear material and activities in Iran. It continued to support the Board's calls for that country to reconsider its decision to proceed with the construction of the heavy water reactor at Arak and to ratify promptly an additional protocol. Iran should extend full and prompt cooperation to the Agency, including any access deemed necessary. Such access and cooperation would be essential for determining whether that country was still hiding additional sensitive activities away from declared facilities. In addition to suspending activities at declared facilities, Iran needed to take steps with the Agency to help remove question marks about the remaining unexplained activities and to provide assurances that there were no more hidden elements to its programme.

92. She had reminded the Board of the requests made in past resolutions not as an academic exercise, but because Iran had failed in every case to meet those requests. The Deputy Director General for Safeguards had provided new examples of such failures. Iran claimed that it could not provide the Agency with original documentation reflecting the 1987 offer from a clandestine procurement network for a range of enrichment-related technology. Given that offer's significance for Iran's nuclear programme, and the fact that Iran had pursued the offer, it seemed implausible that it had not retained the original documentation unless it was fearful of what it might reveal. The 1987 offer had included some very sensitive technology, including technology for uranium reversion and casting which could be used to convert HEU into metal. The Deputy Director General had indicated that the AEOI had neither requested nor received such technology, but the question remained whether other Iranian organizations might have done so through the clandestine supply network. The United States urged Iran to grant the Agency the access required to seek the documentation in the archives of the AEOI or any other Iranian organization that might have been involved.

93. Iran had not yet answered to the satisfaction of the Agency or of the Board the question as to why the clandestine procurement network would have provided it with P-1 centrifuge documentation in 1994 similar to that provided in 1987. It had also not properly explained what had transpired between it and the clandestine procurement network between 1987 and 1993. Had the P-1 designs been provided to Iran twice because each time they had gone to different entities? Was Iran still hiding the nature of its interactions with the clandestine network during that crucial five-year period? Only the provision of further documentation and access could resolve those questions.

94. Iran claimed to have no further information to give the Agency regarding the 1994 offer made by the clandestine procurement network to an Iranian company unrelated to the AEOI. The Agency should aim at greater precision with regard to the identity of that company. Why would a company unrelated to the AEOI be interested in acquiring P-1 centrifuge documentation and components for 500 uranium enrichment centrifuges? How could Iran not have any documentation related to such a significant offer? Was it possible that it did have that documentation but was refusing to provide it to the Agency for fear of what it might reveal about its nuclear programme?

95. Iran had been caught yet again providing incorrect or misleading information to the Agency. It had originally claimed that the centrifuge bellows had been shipped in 1997, whereas they had apparently been shipped in 1994 and 1995. To whom were those bellows sent and why would Iran seek to hide the real date of consignment? Why would it have misled the Agency regarding the timing of the first meeting between AEOI representatives and the procurement network which it now admitted took place in 1993 rather than in 1994? As the Agency probed ever deeper into the history of Iran's centrifuge programmes, it found more and more inconsistencies and concealment.

96. Iran was refusing to provide the Agency with documentation relating to the unusual past management of the previously secret Gchine uranium mine and mill. The Agency had raised the interesting question of why the AEOI had suspended its work at Gchine between 1994 and 2000 to focus on the much less promising Saghand mine. Had any other Iranian entity been working the Gchine mine during that period? It had gone to great lengths to conceal the Gchine mine before finally acknowledging it under Agency questioning in 2004. For example, it had referred openly to the AEOI-controlled Saghand mine but had avoided any reference to Gchine in its 2003 submission for the OECD Red Book. It should allow the Agency access to all past records on Gchine's management and operations, especially if they might reveal that the AEOI was not the entity in charge of the Gchine mine during that time period.

97. Iran had been caught yet again in misleading the Agency about its past plutonium separation experiments, claiming — until confronted with scientific proof to the contrary — that it had stopped its undeclared reprocessing experiments in 1993. The latest news was that it had continued with

plutonium experimentation until at least 1998. In view of the fact that nuclear material was involved, and the five-year discrepancy, no other conclusion could be drawn but that that was yet another unreported activity and another breach of Iran's safeguards obligations.

98. Iran had continued to defy the Board's request that it reconsider its efforts to build a heavy water research reactor. Such a reactor was unnecessary from a technical standpoint, since the existing research reactor was reportedly underutilized. A heavy water research reactor would give Iran a dangerous capability to produce weapons-grade plutonium. The United States called on Iran to abandon that unnecessary project.

99. The United States would like to hear further information on several issues on which the Deputy Director General for Safeguards had briefed the Board in March 2005. She requested an update on the status of the Agency's repeated requests to interview two Iranian officials associated with suspicious nuclear-related procurement activity at Lavisan. Had Iran formally rejected those requests? If so, what reason had been given? What more could the Agency tell the Board about its suspicions involving past nuclear-related work at Lavisan? Her country would also like to know what was the status of the Agency's efforts to return to the Parchin high-explosive facility and of Iran's rejection of those requests. If the Agency continued to have suspicions about that facility, related either to Iran's safeguards obligations or to its suspension commitments, Iran had to provide access to be in compliance with its obligations. Lastly, she requested information on the status of Iran's efforts to construct deep underground tunnels at Esfahan for future storage of nuclear material. Iran had failed to declare that activity in a timely manner as required by its Subsidiary Arrangements. The Agency should continue to visit the site and should provide the Board with regular updates on the work being done there. The construction work called into serious question Iran's commitment to maintaining a full suspension of enrichment-related activity for any length of time.

100. Iran had obviously not come clean about its past or present nuclear activities and continued to deny access to people, places and information. The continuing contradictions between Iran's declarations and the facts as they were uncovered could not be explained by inadvertent error. They were simply too numerous and pervasive. Until Iran made a genuine commitment to cooperate openly with the Agency, the Board would have to continue to review the status of Agency verification and investigation efforts in Iran at each successive Board meeting until all outstanding questions were resolved, and the Agency could provide the Board with the necessary assurances regarding absence of undeclared nuclear material and activities. To that end, she hoped the Board would invite the Director General to request that the new Deputy Director General for Safeguards continue to report to the Board at every future series of meetings until all outstanding questions were answered. In addition, she requested that the oral report made by the Deputy Director General for Safeguards at the current meeting be made public.

101. Iran's unrelenting pursuit of nuclear fuel cycle capabilities confronted the international community with one of the most difficult challenges it could face. The choice was now up to Iran to take the necessary steps to secure an acceptable and peaceful solution. The international community wished one day to have the opportunity to welcome back an Iran that behaved constructively and was in compliance with its obligations. It would not, however, accept a nuclear weapons-capable Iran.

102. Mr. VIEIRA DE SOUZA (Brazil) said that obligations under the NPT and safeguards agreements were binding at all times and should be strictly observed by all Member States. His country accordingly urged Iran to cooperate fully and proactively with the Agency so as to clarify the outstanding issues. With regard to the voluntary confidence-building measures undertaken by Iran, Brazil acknowledged the merit of the Paris agreement and expected that the related negotiations would arrive at lasting and satisfactory results.

103. Ms. KELLY (Argentina) endorsed the statements that had been made in support of the Agency's efforts to carry out inspections aimed at assuring the international community that Iran was taking the steps needed to restore international confidence regarding the fulfilment of its obligations. Argentina hoped that Iran would fulfil its commitment to ratify its additional protocol and that it would refrain from uranium enrichment as a means of demonstrating its desire to reassure the world that its nuclear programme was exclusively for peaceful purposes. It also hoped that the negotiations between the three European countries and Iran would reach a successful conclusion at an early date.

104. Mr. MINTY (South Africa) said that his country was seriously concerned about the fact that the Deputy Director General's statement had been leaked to the media, reportedly by a diplomat accredited to the Agency before it had been delivered to the Board. That was a matter of serious concern and required urgent attention.

105. Mr. AKHONDZADEH (Islamic Republic of Iran)* congratulated the Director General on his reappointment. He expressed regret at the imminent departure of the Deputy Director General for Safeguards and congratulated his successor on assuming that important post, assuring him of his country's continued cooperation. He also offered condolences on the death of the Ambassador of South Africa.

106. The oral report by the Deputy Director General for Safeguards indicated the extent of the work done since the preceding Board meeting, which had brought the remaining few issues and questions closer to a final conclusion. Since the start of the verification process, the origin of some LEU and traces of HEU had prompted major concerns. From the outset, Iran had maintained that it had conducted no enrichment work apart from that reported in its statement of 21 October 2003. As Iran saw it, the only possible origin of those LEU and HEU traces was contamination from outside sources. The Agency had already concluded that that assertion was viable. Iran was grateful that, with the assistance of third countries, the Agency had now been offered the opportunity to inspect some centrifuges or components which were apparently of the same type as those acquired by Iran. Once that was complete, other questions related to the verification of Iran's centrifuge enrichment programme should move towards a final conclusion.

107. Some questions might remain on specific points relating to the work of intermediaries. To that end, Iran had provided the Agency with whatever was at its disposal and would not hesitate to make every effort to clarify any ambiguities. The remaining questions were not directly related to the issues at hand, however, and Iran had already provided information, evidence and documentation that went well beyond its safeguards and additional protocol obligations. The Agency and the Board could thus be certain that Iran had no reason whatsoever to withhold information. It would continue to do whatever it could to convey to the Agency any other information that might surface.

108. With regard to transparency, Iran had already been extremely forthcoming in providing access to and information on locations unrelated to the nuclear activities which scanty reports in certain media had alleged had been devoted to undeclared programmes. In every instance, it had been established that the media report had been nothing but a hoax. Iran was willing and prepared to continue to consider matters relating to transparency in accordance with its obligations under the Agency's Statute, NPT safeguards and the additional protocol which it was voluntarily implementing. The voluntary suspension, a non-legally binding confidence-building measure, remained in force and had been verified by the Agency. Over 1000 pages of initial declarations under the additional protocol had been submitted to the Agency and verified. Over 20 complementary accesses had been granted under Article 4 of the additional protocol, mostly with short notice of only 2 hours. Furthermore, more than 1200 man-days of inspections had been conducted in Iran during the preceding two years, something unprecedented in the Agency's history.

109. Referring to the negotiations based on the Paris agreement between Iran and the three European countries, he said that Iran had put forward a comprehensive framework incorporating guarantees on all the issues subject to negotiations. It had been particularly forthcoming on ways and means of providing objective guarantees regarding its nuclear programme and had presented measures which would demonstrate the peaceful nature of that programme with a high level of confidence. Iran's European interlocutors had said that they would prepare a counterproposal. Nuclear fuel production was central to any mutually acceptable agreement. While Iran would make every effort to arrive at such an agreement, time was of the essence and it could not keep its peaceful nuclear facilities idle for much longer.

The meeting was suspended at 5.10 p.m. and resumed at 5.40 p.m.

110. The CHAIRPERSON, summing up the discussions on the issue, said that some members had expressed appreciation to the Secretariat for its professional and impartial implementation of safeguards in Iran. Several members had noted with satisfaction the progress made in the Agency's continuing investigations into the origin of contamination.

111. On the extent of Iran's centrifuge enrichment programmes, some members had noted that, although Iran had provided some additional information and documentation, that was not sufficient to answer several of the remaining questions. They had called on Iran to provide more detailed information in that regard and further access to the sites and areas of interest to the Agency. Some members had urged Iran to maintain the voluntary commitment to suspend all enrichment-related and reprocessing activities without exceptions. Several members had regarded the monitoring of Iran's suspension of enrichment-related and reprocessing activities as essential to the continuation of the overall verification process.

112. A Member State had expressed its regret that Iran was pursuing the construction of a heavy water research reactor.

113. Several members had welcomed the positive trend in the implementation of the safeguards agreement in the Islamic Republic of Iran, and the fact that remaining questions were expected to be resolved and concluded. They had reiterated the basic and inalienable right of all Member States to develop atomic energy for peaceful purposes. They had re-emphasized the distinction between voluntary confidence-building measures and legally binding safeguards obligations.

114. Support had been expressed for the negotiations currently being undertaken between Iran, France, Germany and the United Kingdom, with the support of the High Representative of the European Union, and the hope had been expressed that an agreement would be reached on long-term arrangements. Some members had recalled the Board's resolutions on the matter and had emphasized the importance of their implementation.

115. The Board had emphasized that it was essential that Iran provide full transparency and proactive cooperation to the Agency by providing in full detail and in a prompt manner all information that could shed light on the outstanding issues, in order to build the required confidence and permit the Agency to complete its assessment of all outstanding issues related to Iran's nuclear programme.

116. The Board had reiterated its call for Iran to ratify its additional protocol as a matter of urgency. The Board had noted that the Director General intended to report progress on that matter to the Board in September.

117. She took it that her summing-up was agreeable to the Board.

118. It was so decided.

119. The CHAIRPERSON noted that a Member State had requested that the oral report by the Deputy Director General for Safeguards be released to the public. She assumed that that was acceptable.

120. Mr. MINTY (South Africa) requested additional time to consider the implications of past practice on such matters.

121. The CHAIRPERSON said that the Secretariat would circulate the report in question to Board members and raise the question again when they had had time to look at it.

(a) The Safeguards Implementation Report for 2004 (resumed)
(GOV/2005/32 and Corr.1)

122. Mr. VIEIRA DE SOUZA (Brazil) said that his country felt that the language used in the SIR for 2003 concerning the deriving of safeguards conclusions had reflected better the commitments undertaken by Member States and should therefore be maintained. In the interests of constructiveness, however, Brazil took note of the new language in paragraph 1(a) of the Safeguards Statement for 2004 and in Paragraph 7 of Section B of the SIR for 2004, on the understanding that the modifications did not imply any changes in Member States' legal commitments.

123. Brazil had taken note of the remarks of the Director General and the Deputy Director General for Safeguards. It agreed that the Agency's verification role was of the utmost importance and that that role should be exercised strictly within the legal framework provided by the Statute and Member States' safeguards agreements. It also strongly believed that an adequate balance should be maintained among the statutory activities of the Agency. In that context, he pointed out that the concept 'weaponization' was not clear and did not appear in the Statute or safeguards agreements, whose language should be followed by the Secretariat when writing official documents in order to prevent misunderstandings. The term 'weaponization' should only be used in exceptional cases within a specific mandate.

124. His country hoped that the Secretariat would modify the SIR for 2004 in the light of its comments. It was also disappointed at the lack of progress at the recent NPT Review Conference and reiterated its view that the best guarantee of non-proliferation was the total elimination of nuclear weapons.

125. Ms. KELLY (Argentina) said that she trusted the Secretariat would incorporate the changes to the document proposed by GRULAC and Brazil.

126. The CHAIRPERSON proposed that the first sentence of the fourth paragraph of her summing-up delivered in the preceding meeting³ be amended to read: "Several countries had opposed the use of the words 'nuclear weaponization' in the Background to the Safeguards Statement as they felt that the meaning of the concept was not clear."

127. She took it that the Board was prepared to accept her summing-up thus amended, and that it took note of the Director General's Safeguards Implementation Report for 2004 and authorized the release of the Safeguards Statement, and the release of the Background to the Safeguards Statement and Executive Summary with any possible adjustments that the Director General deemed appropriate in the light of the comments made by the Board.

128. It was so decided.

³ GOV/OR.1129, paragraph 74.

(d) Report by the Director General on the implementation of safeguards in the Democratic People's Republic of Korea (resumed)

129. The CHAIRPERSON proposed that the first sentence of the second paragraph of her summing-up delivered in the preceding meeting⁴ be amended to read: "A number of members had also expressed concern about statements made by the DPRK regarding the possession of nuclear weapons."

130. She took it that her summing-up, thus amended, was acceptable.

131. It was so decided.

The meeting rose at 5:55 p.m.

⁴ GOV/OR.1129, paragraph 159