IAEA Board of Governors Record of the 1133rd Meeting GOV/OR.1133

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Implementation of IAEA safeguards in the Islamic Republic of Iran and related Board resolutions



Board of Governors

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Record of the 1133rd Meeting

Held at Headquarters, Vienna, on Thursday, 11 August 2005, at 4.40 p.m.

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¹ GOV/2005/59

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

Ms. FEROUKHI Ms. KELLY Ms. STOKES Mr. LAUREYS Mr. VIEIRA DE SOUZA Mr. PROUDFOOT Mr. WU Hailong Ms. VÁSQUEZ de MESSMER Mr. THIEBAUD Mr. HONSOWITZ Mr. ZIMONYI Mr. SHARMA Mr. MASCIA Mr. TAKASU Mr. CHO Chang-Beom Mr. PEÑA HALLER Mr. DE VISSER Ms. LAOSE Mr. NAQVI Mr. BELEVAN-McBRIDE Mr. BYLICA Mr. SENNFELT Mr. BERDENNIKOV Mr. GAFOOR Mr. JANKO Mr. LOMBARD Ms. WIJEWARDANE Mr. LINDELL Mr. MEJRI Mr. JENKINS

Mr. SCHULTE Ms. PRINCE GONZALEA Mr. NGUYEN TRUONG GIANG Mr. SHARAF

Mr. ELBARADEI Mr. ANING Chairperson (Canada)

Algeria Argentina Australia Belgium Brazil Canada China Ecuador France Germany Hungary India Italy Japan Korea, Republic of Mexico Netherlands Nigeria Pakistan Peru Poland Portugal **Russian Federation** Singapore Slovakia South Africa Sri Lanka Sweden Tunisia United Kingdom of Great Britain and Northern Ireland United States of America Venezuela Vietnam Yemen

Director General Secretary of the Board

Representatives of the following Member States attended the meeting:

Afghanistan, Albania, Armenia, Austria, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkino Faso, Chile, Colombia, Costa Rica, Côte D'Ivoire, Cuba, Czech Republic, Denmark, Egypt, Ethiopia, Finland, Georgia, Greece, Guatemala, Iceland, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Jordan, Kenya, Kuwait, Kyrgyzstan, Lebanon, Libyan Arab Jamahiriya, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Morocco, Namibia, New Zealand, Norway, Panama, Paraguay, Philippines, Romania, Serbia and Montenegro, Slovenia, Spain, Sudan, Switzerland, Syrian Arab Republic, Thailand, Turkey, Ukraine, Uruguay.

Abbreviations used in this record:

EU	European Union
NAM	Non-Aligned Movement
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
UCF	Uranium Conversion Facility

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

- Implementation of IAEA safeguards in the Islamic Republic of Iran and related Board resolutions (continued) (GOV/2005/60, 61, 62, 63 and Rev.1; INFCIRC 648, 649 and 651)

1. The <u>CHAIRPERSON</u> said that two additional documents had been circulated to Board members since the preceding meeting. Document GOV/2005/62 contained a report by the Director General informing the Board of certain activities undertaken on 10 August 2005 by Iran. Document GOV/2005/63/Rev.1 contained a draft resolution submitted by France, Germany and the United Kingdom.

2. <u>Mr. THIEBAUD</u> (France), introducing the draft resolution contained in document GOV/2005/63/Rev.1, said that France, Germany and the United Kingdom had requested the current special meeting of the Board to examine the situation that had resulted from Iran's announcement that it had decided to resume uranium conversion activities in Esfahan, and they had submitted the resolution contained in document GOV/2005/63/Rev.1 with the object of appealing to Iran to reverse its decision and respect the obligations that it had accepted voluntarily, and the Board's requests.

3. In earlier resolutions, the Board had taken note of the Director General's reports indicating that the Agency was not in a position to resolve the outstanding issues or conclude that there were no undeclared material or activities in Iran. In that context, it had welcomed with satisfaction the decision of the Iranian authorities to suspend all enrichment-related and reprocessing activities — a voluntary decision consistent with the agreement concluded with the Governments of France, Germany and the United Kingdom, with the support of the High Representative of the EU, of which they had informed the Director General on 14 November 2004. The Board had emphasized that maintaining such a suspension was necessary to restore confidence and resolve outstanding issues.

4. It was therefore of particular concern that Iran had informed the Director General on 1 August 2005 that it had decided to resume conversion activities at its facility in Esfahan, and that it had begun to implement its decision that very week. Such an action was contrary to the suspension requested by the Board, as the outstanding issues had still not been resolved, new issues had arisen and the Agency was still not in a position to provide assurances that would allow confidence to be restored in the exclusively peaceful nature of Iran's nuclear programme. It was important to recall that the issue facing the Board was not related to bilateral agreements between Iran and the three European countries, but to a situation resulting from Iran's past breaches of its international commitments which therefore affected the entire international community.

5. Whilst recognizing Iran's right to the peaceful use of nuclear energy, the Governments of France, Germany and the United Kingdom believed that Iran's resumption of its conversion activities was all the less warranted since there was no need or possible use for the uranium hexafluoride that could be produced in its nuclear programme. Furthermore, the three countries had just made proposals to Iran for a long-term agreement which reaffirmed Iran's rights under the NPT. They had also offered to support Iran's development of a reliable, economically viable and non-proliferative civil nuclear programme and had offered significant cooperation on economic, technological, political and security issues.

6. Turning to the details of the draft resolution, he noted that the earlier Board resolutions mentioned in the preamble were those which highlighted the importance of the suspension to restore confidence and resolve outstanding issues. With regard to operative paragraph 2, he pointed out that the Governments of the three European countries were willing to continue discussions under the Paris

Agreement and were prepared to discuss all proposals or new ideas which would allow a long-term agreement to be reached.

7. The draft resolution focused on the objective of calling on Iran immediately to resume the suspension that it had freely accepted so as to restore confidence, allow outstanding issues to be resolved and allow the negotiation process to continue. France, Germany and the United Kingdom hoped that the draft resolution would respond to the common concerns of Board Members and that it would be adopted by consensus. It was essential that the international community maintained its unity on the issue of safeguards application in Iran and Iran's respect for its international obligations in that regard. He called on all present to consider the draft resolution in that spirit.

8. The <u>CHAIRPERSON</u> took it that the Board was ready to adopt the draft resolution contained in document GOV/2005/63/Rev.1 without a vote.

9. <u>It was so decided</u>.

10. The <u>CHAIRPERSON</u> took it that the Board agreed that the adopted resolution should be made public.

11. <u>It was so decided</u>.

12. The <u>CHAIRPERSON</u> noted that the adopted resolution would be issued as document GOV/2005/64.

13. <u>Mr. JENKINS</u> (United Kingdom), speaking on behalf of the European Union, said that the EU would be very glad that the Board had chosen to adopt the resolution without a vote and was very grateful to all Member States that had supported the efforts to achieve that result.

14. <u>Ms. HUSSAIN</u> (Malaysia)*, speaking on behalf of the Non-Aligned Movement, said that, at the start of the series of meetings, NAM had expressed the hope that they would contribute towards a fair and just resolution consistent with Iran's rights and obligations under its NPT safeguards agreement and the basic and inalienable rights of all Member States to develop atomic energy for peaceful purposes.

15. NAM continued to stress that all problems should be resolved through dialogue and peaceful means and, in that regard, it called on the three European countries and Iran to continue their dialogue with a view to achieving a mutually acceptable long-term agreement within the framework of the Agency. Its position echoed that of other mediators, including the United Nations Secretary-General, in calling for restraint on the part of all parties involved and the continuation of dialogue.

16. In moving towards any resolution, the international community had to distinguish clearly between confidence-building measures and safeguards obligations. NAM was concerned that if those two issues were not clearly distinguished, the Agency, which under its Statute was responsible for ensuring compliance of Member States with their respective safeguards agreements, might be obliged to enforce voluntary commitments of Member States.

17. <u>Mr. SHARMA</u> (India) said that his country had seen the special meetings of the Board as an opportunity to defuse the crisis rather than exacerbate it. It had repeatedly stressed that the ultimate aim was to facilitate a return to the negotiations promised by the Paris Agreement so as to avoid further crisis. A prime concern was to ensure that the final outcome was acceptable to the Board. It was also important that the Board recognize the distinction between what was legal and what was voluntary.

18. India was encouraged by the opportunity for further discussions provided by operative paragraph 2 of the resolution. It was the responsibility of Board members to ensure that that

opportunity became a reality. It was for that reason that his country had accepted the resolution, though it had serious misgivings about its negative features.

19. <u>Mr. SCHULTE</u> (United States of America) welcomed the resolution adopted by the Board and thanked France, Germany and the United Kingdom for their initiative and efforts over the preceding two years to find a diplomatic solution to the challenge to peace and security posed by Iran's nuclear programme.

20. The activities of one Member State had provoked a crisis of confidence and a crisis in efforts to strengthen the non-proliferation regime, and the adoption of the resolution did not defuse that crisis. Iran had rejected the offer of the three European countries before even receiving it. It had restarted conversion despite the Board's resolutions. Furthermore, on the preceding day, in the midst of the Board's deliberations, it had broken Agency seals. There was only one way to resolve the crisis precipitated by Tehran: Iran had to stop its activities and reconsider the dangerous course it was on. That could only happen if all countries united in making clear their serious concern, as they had done in adopting the resolution.

21. Iran's provocative activities and blatant disregard for past Board resolutions raised serious questions about its intentions, in addition to the questions raised by its record of hiding activities, withholding information and breaching its safeguards obligations. If Iran could not be persuaded to depart from the dangerous path it had embarked upon, another crisis would follow over Natanz. Iran would argue that it had the right to conduct enrichment at Natanz for peaceful purposes. However, Natanz had been built secretly, underground and had been disguised as an agricultural station. Like Esfahan that fed it, Natanz was not part of an infrastructure built for peaceful purposes.

22. Iran argued that it was promoting the peaceful use of nuclear technology. It was not. It was subverting peaceful use to pursue a dangerous course. Iran had no need for uranium hexafluoride or for heavy investment in an indigenous fuel cycle unless it wanted nuclear weapons. It did not have enough natural uranium to enrich for a civil nuclear programme, but it did have just enough for a small stockpile of nuclear weapons.

23. There was unanimous support for the peaceful use of nuclear technology. Safe, secure and proliferation-resistant nuclear power would be a critical source of energy for developed and developing countries alike. However, Iran's activities were not the model of a peaceful programme.

24. The resolution just adopted built on seven previous resolutions. Together, those resolutions demonstrated the serious concern shared by all over Iran's intentions, and the collective conviction that Iran had to stop and get off its dangerous path.

25. <u>Mr. LOMBARD</u> (South Africa) said that his country had participated in the negotiations on the resolution in a constructive manner, as it had consistently done in the past, although a number of issues in the resolution caused it concern. In a spirit of compromise, it had joined the consensus in order to maintain unity within the Board. The issue of the Iranian nuclear programme for peaceful purposes could only be resolved if all parties involved contributed to maintaining the unity of the Board, strengthened the Agency and acted in accordance with the Agency's Statute. No decision should be taken by the Board that could damage the integrity, authority and credibility of the Agency or the NPT.

26. South Africa had consistently emphasized the importance of differentiating between Iran's legal obligations arising from its safeguards agreement and the confidence-building measures it had voluntarily undertaken, without in any way denying the importance of such measures.

27. It was pleased to note from the Director General's reports that the surveillance equipment at the UCF was fully functional and that the uranium ore concentrate had been verified by the Agency. He called upon Iran to continue its cooperation with the Agency and requested that all other parties also cooperate to assist the Agency in resolving outstanding issues.

28. As a confidence-building measure, South Africa encouraged Iran to re-establish its full suspension of all enrichment-related activities, including the production of feed material, on the same voluntary basis as requested in previous Board resolutions.

29. His country recognized and supported the inalienable right of all States to utilize the atom for peaceful purposes, as provided for in Article IV of the NPT, and in conformity with Articles I, II and III of that Treaty. No one could take that right away from NPT State Parties that were in conformity with their obligations under the Treaty.

30. In conclusion, he urged all parties involved to exercise maximum restraint and to refrain from any action that would further complicate the negotiations between the three European countries and Iran. All parties should continue to endeavour to find a final and long-lasting solution to Iran's peaceful nuclear programme and South Africa stood ready to assist with that process.

31. <u>Mr. VIEIRA DE SOUZA</u> (Brazil) said that his country considered the adoption of the resolution an important step in support of the negotiation process based on the Paris Agreement of November 2004. In that connection, it reiterated its position that all issues pertaining to international peace and security should preferably be resolved through dialogue and cooperation. With a view to arriving at a mutually acceptable solution, Brazil urged the parties concerned to exercise maximum restraint and not to take decisions that might jeopardize the negotiation process.

32. He commended the Agency's work in monitoring the voluntary confidence-building measures implemented by Iran. The maintenance of such measures could contribute greatly to restoring the confidence of the international community in the peaceful intent of Iran's nuclear programme. On the other hand, unilateral and voluntary confidence-building measures could not be put on the same standing as legally binding commitments undertaken by Member States under international treaties and under their safeguards agreements with the Agency. In that context, and bearing in mind the inalienable right of NPT State Parties to the peaceful uses of nuclear energy, his country appealed to Iran to reconsider its decision of 1 August 2005 and to continue to cooperate fully and proactively with the Agency with a view to clarifying the outstanding issues and re-establishing the confidence of the international community. Such a course of action was essential to arrive at a satisfactory solution within the Agency.

33. <u>Ms. VÁSQUEZ de MESSMER</u> (Ecuador) said that her country had welcomed the Paris Agreement and Iran's voluntary decision to continue its suspension and extend it to include enrichment-related and reprocessing activities, particularly as that decision helped foster a climate of international confidence and promote dialogue. Ecuador upheld the basic principles of international law and the inalienable right of all countries to nuclear technology for peaceful purposes, within the context of the rights and obligations assumed by NPT States Parties. It regretted the fact that Iran had taken unilateral measures which, although consistent with its obligations under the NPT and its Agency safeguards agreement, did not contribute to maintaining the requisite climate of confidence.

34. Her country had examined Iran's reservations concerning the European proposal for a long-term agreement closely. The negotiating process seemed not to be complete and should continue. In that context, both parties should refrain from taking measures which could jeopardize dialogue, making it more difficult to reach agreement and reconcile differences. It would be impossible to view the Board's current emergency meetings as successful if Iran and the three European countries did not

return to the negotiating table. Ecuador therefore supported the long-term efforts to reach a comprehensive resolution of the issue.

35. In conclusion, she commended the efficient and professional manner in which the Director General and the Agency were dealing with the situation.

36. <u>Ms. LAOSE</u> (Nigeria) emphasized that nothing in either the NPT or Agency safeguards agreements prevented States from pursuing peaceful nuclear activities which were vital to their populations and their national and socio-economic development. It was therefore important not to transform voluntary commitments into legal obligations, or to call into question the inalienable right of States to develop and use nuclear energy and technology for peaceful purposes. At the same time, all States should comply with their commitments and obligations under the NPT and all other relevant agreements.

37. <u>Mr. BELEVAN-McBRIDE</u> (Peru) said that his country was proud to belong to the world's first nuclear-weapon free zone, and that its nuclear programme was completely subject to comprehensive safeguards and an additional protocol. In all international fora, Peru had consistently supported nuclear non-proliferation, the strengthening of international cooperation for the development of peaceful nuclear programmes and the gradual elimination of all weapons of mass destruction. A nation's greatness should not be linked to its military might and its capacity for destruction. If governments acted in good faith and cooperated fully, enabling the Agency to maintain its high standards of objectivity and credibility, a balance could be struck between the right of States to the peaceful use of nuclear energy and the right of the international community to receive assurances that such access would never be used to develop military programmes.

38. In that context, he urged Iran to continue to apply confidence-building measures and appealed to the three European countries to pursue their collaboration with Iran so that the Director General could conclude the verification process.

39. <u>Mr. WU Hailong</u> (China) said that his country had participated in the consultations with the thee European countries in order to ensure that the resolution would be conducive to the continuation of negotiations between those countries and Iran within the framework of the Agency, and that a mutually satisfactory agreement would be reached. It was important to maintain the unity of the Board and avoid confrontation over the Iranian nuclear issue or escalation thereof. Negotiation and dialogue were the only way to proceed and he expressed the hope that the parties would engage in constructive dialogue without delay and find a lasting solution to the problem.

40. <u>Mr CHO Chang-Beom</u> (Republic of Korea) said that his country had supported the resolution because it was seriously concerned over the developments in Iran reported by the Director General. He underlined the gravity of the issue and expressed the hope that it would be resolved as quickly as possible through the full implementation of the resolution which had just been adopted by the Board.

41. <u>Mr. NGUYEN TRUONG GIANG</u> (Vietnam) said that, although his country had reservations about the draft resolution, it had joined the consensus to avoid a division within the Board, to encourage cooperation, and to urge the parties concerned to continue negotiations with a view to finding a solution acceptable to all. That being said, the inalienable right of States to use nuclear energy for peaceful purposes should be respected at all times.

42. <u>Ms. BRIDGE</u> (New Zealand)* urged Iran to suspend the conversion activities it had recently resumed at Esfahan. Her country recognized Iran's right, under Article IV of the NPT, to develop nuclear energy for peaceful purposes in conformity with Article II, but the resumption of activities at Esfahan ran counter to a number of earlier Board resolutions calling upon Iran to suspend enrichment-related and reprocessing activities as a voluntary confidence-building measure essential to addressing

outstanding questions relating to Iran's nuclear programme. She expressed full support for the negotiations between the three European countries and Iran on long-term arrangements and urged Iran to re-establish full suspension without delay, so that the negotiations could continue and agreement be reached on objective guarantees that Iran's nuclear programme was exclusively for peaceful purposes.

43. <u>Mr. NASSERI</u> (Iran)* said that the debate within the Board had centred around the fact that a non-nuclear-weapon State party to the NPT, which had accepted Agency safeguards, had commenced operation at a safeguarded facility to produce feed for nuclear fuel under full-scope Agency monitoring. The question was how such a situation could have become an issue in the first place? How could the Board have been called upon to react to an action which was in full conformity with the NPT and safeguards?

44. The States which had prompted the current debate and had pressed for the adoption of the draft resolution implied that they had done so in the interests of non-proliferation. Yet those same States either possessed nuclear weapons, relied on them for their security, were the exclusive producers of nuclear fuel, or had steadfastly refused to forgo that capability under any circumstances. How could a small amount of feed material for enrichment to produce nuclear fuel be a matter of concern when a number of the States concerned, including non-nuclear-weapon States, were sitting on many tonnes of separated plutonium which could be directly diverted to nuclear weapons at any time of their choosing? The conventional reply — that such States were in good standing as regards their safeguards commitments — failed to take account of the fact that those States had never been forcefully denied access to nuclear material, equipment, and technology. With only a fraction of the access granted to other States, Iran would be fully transparent and in exemplary standing. It was evident that the motive was to put pressure on Iran, and that the purpose was to move beyond denial to deprivation. Furthermore, the prescription written for Iran would be applied to other developing countries were Iran to yield. Fortunately, Iran would not yield. It would be a nuclear fuel producer and supplier within a decade. Like all other developing countries and NPT parties, Iran had firmly rejected nuclear weapons. All it wished to do was to exercise its right under the NPT, a right it had been denied for over two decades.

45. The fundamental objectives of the Agency were: firstly, to provide and facilitate the provision of nuclear material and technology for peaceful purposes; secondly, to safeguard material and facilities; and thirdly, to ensure safety. The first of those objectives was being severely undermined by the second. It was no wonder that the Americans called the Agency the United Nations watchdog, a term which was demeaning to the organization. The Agency should be assisting Iran to operate and improve its fuel production capability, including the UCF, just as it should for all other developing countries. It had been disabled and prevented from fulfilling that obligation.

46. Absurdly enough, the decision just adopted betrayed the second objective as well. If the Board expressed concern over the operation of an Iranian facility which was under safeguards and fully monitored, what should it be saying about the many unsafeguarded facilities around the world, particularly in the Middle East. The United States had long maintained and acted upon the conviction that the Agency's assurances of non-diversion were not credible, leading them to ignite a war in Iraq less than two years previously. However, Iran was not Iraq, and the United States was no longer the self-appointed policeman of the world. Nevertheless, the resolution adopted constituted a vote of no confidence in the Agency and its safeguards system and was a step on the road to a confrontation in which, as the Director General had said, all parties stood to lose.

47. Iran believed in the Agency and the safeguards system. It would continue to work with the Agency, its activities would remain fully under safeguards, and operations at the UCF in Esfahan would remain under full-scope monitoring. The product would be sealed by the Agency, and Iran

would fully observe its obligations with regard to its nuclear fuel programme. Thus, there was no cause for concern whatsoever.

48. His country would not heed the questioning of the Agency's credibility inherent in the resolution just adopted. The United Nations Secretary-General, the Director General and a number of Board members had urged the resumption of negotiations, and Iran was prepared to engage in negotiations without preconditions and in a spirit of good will.

The meeting rose at 5.35 p.m.