

IAEA Board of Governors

Record of the 1138th Meeting
GOV/OR.1138

Nuclear Verification

(d) Other safeguards implementation issues (Malaysia)

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(d) Other safeguards implementation issues (Islamic Republic of Iran and
Malaysia)

Board of Governors

GOV/OR.1138

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Record of the 1138th Meeting

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¹ GOV/2005/70 (Corrected)

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
Mr. BEVEN		Australia
Mr. NIEUWENHUYS		Belgium
Mr. VINHAS		Brazil
Mr. PROUDFOOT		Canada
Mr. ZHANG Huazhu		
Mr. WU Hailong	}	China
Mr. GARCÉS-BURBANO		Ecuador
Mr. CARON		France
Mr. HONSOWITZ		Germany
Mr. BEKOE		Ghana
Mr. RÓNAKY		Hungary
Mr. SHARMA		India
Mr. DE CEGLIE		Italy
Mr. AMANO		Japan
Mr. CHO Chang-Beom		Korea, Republic of
Mr. PEÑA HALLER		Mexico
Ms. COPPOOLSE		Netherlands
Mr. SAMBO		Nigeria
Mr. BUTT		Pakistan
Mr. BELEVAN-McBRIDE		Peru
Mr. NIEWODNICZAŃSKI		Poland
Mr. SENNFELT		Portugal
Mr. BERDENNIKOV		Russian Federation
Mr. GAFOOR		Singapore
Mr. MACHÁČ		Slovakia
Mr. MINTY		South Africa
Ms. WIJEWARDANE		Sri Lanka
Ms. MELIN		Sweden
Mr. DAOUAS		Tunisia
Mr. WRIGHT		
Mr. JENKINS	}	United Kingdom of Great Britain and Northern Ireland
Mr. SCHULTE		United States of America
Ms. GARCÍA de PÉREZ		Venezuela, Bolivarian Republic of
Mr. BAHRAN		Yemen
Mr. ELBARADEI	_____	Director General
Mr. ANING		Secretary of the Board

Representatives of the following Member States attended the meeting:

Afghanistan, Albania, Angola, Austria, Azerbaijan, Bangladesh, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Chile, Colombia, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Ethiopia, Finland, Georgia, Greece, Holy See, Iceland, Indonesia, Islamic Republic of Iran, Iraq, Ireland, Israel, Kenya, Kuwait, Latvia, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Malaysia, Malta, Monaco, Mongolia, Morocco, New Zealand, Norway, Republic of Moldova, Romania, Saudi Arabia.

Abbreviations used in this record:

DPRK	Democratic People's Republic of Korea
EFTA	European Free Trade Association
EU	European Union
HEU	high-enriched uranium
LEU	low-enriched uranium
NPT	Treaty on the Non-Proliferation of Nuclear Weapons

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

6. Nuclear Verification

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

1. The CHAIRPERSON drew the Board's attention to the fact that the Director General had brought Member States up to date regarding the status of the Agency's safeguards activities in the DPRK in his introductory statement and General Conference document GC(49)/13.
2. Mr. WU Hailong (China) said that, in the fourth round of the six-party talks which had been concluded in Beijing on 19 September 2005, China, the DPRK, Japan, the Republic of Korea, the Russian Federation and the United States of America had engaged in serious and pragmatic discussions on the goal of denuclearization of the Korean Peninsula. Agreement had been reached on the overarching goal of the six-party talks and a joint statement had been issued. In it, the six parties had unanimously reaffirmed that the goal of the six-party talks was the verifiable denuclearization of the Korean Peninsula in a peaceful manner. The DPRK had committed itself to abandoning all nuclear weapons and existing nuclear programmes and to returning, at an early date, to the NPT and to Agency safeguards. The United States had affirmed that it had no nuclear weapons on the Korean Peninsula and had no intention of attacking or invading the DPRK with nuclear or conventional weapons. The DPRK had stated that it had the right to peaceful uses of nuclear energy. The other parties had expressed respect and had agreed to discuss, at an appropriate time, the subject of the provision of a light water reactor to the DPRK. The six parties had undertaken in their relations to abide by the principles and purposes of the Charter of the United Nations and recognized norms of international relations. The DPRK and the United States had undertaken to respect each other's sovereignty, exist peacefully together and take steps to normalize their relations subject to their respective bilateral policies. The six parties had undertaken to promote economic cooperation in the fields of energy, trade and investment bilaterally and/or multilaterally. China, Japan, the Republic of Korea, the Russian Federation and the United States had stated their willingness to provide energy assistance to the DPRK. The six parties had committed themselves to joint efforts for lasting peace and stability in North-East Asia, and to the negotiation of a permanent peace regime on the Korean Peninsula at an appropriate separate forum. The six parties had further agreed to hold the fifth round of six-party talks in Beijing in early November 2005.
3. The joint statement was the first substantive joint document since the six-party talks had been launched. It accommodated the interests and concerns of all parties and was a balanced win-win document. It marked the entry of the six-party talks into a new phase. The positive progress made in the fourth round was an indication of the strong political commitment of all parties to achieving progress on the issue. It was also the result of more than two years of difficult negotiations. It was a hard-won accomplishment and should therefore be cherished all the more.
4. So far, the parties had reached agreement on the ultimate goal and basic principles of the six-party talks, laying a good foundation for taking the talks forward. However, it was only the first step on a long march. In the next phase, the six-party talks would enter into the discussion of concrete issues, which was expected to be yet more complicated and difficult. The nuclear issue on the Korean Peninsula was complex and a thorough solution would involve a difficult process. The DPRK and the United States still had a long way to go, and there would be difficulties and twists along the way. However, China hoped that the parties would continue to respect one another, to accommodate one another, to be ready to compromise, to move towards one another, to be flexible and pragmatic, to

increase gradually their mutual trust and understanding, to expand their consensus and reduce their differences, and that they would ultimately reach a peaceful solution of the nuclear issue on the Korean Peninsula.

5. China had always firmly supported the peaceful resolution of the nuclear issue on the Korean Peninsula through negotiation and would continue to facilitate the six-party process so that it could play its due role. It stood ready to continue to work with all parties and with the international community to that end.

6. Mr. CHO Chang-Beom (Republic of Korea) said that a major breakthrough had been made in the fourth round of six-party talks to achieving a negotiated diplomatic solution to the long-standing stalemate over the DPRK nuclear issue. The joint statement unanimously reaffirmed the goal of the verifiable denuclearization of the Korean Peninsula in a peaceful manner. The DPRK had committed itself to abandoning all nuclear weapons and existing nuclear programmes and returning, at an early date, to the NPT and Agency safeguards. It had stated that it had the right to peaceful uses of nuclear energy. The other parties had expressed respect and had agreed to discuss, at an appropriate time, the provision of a light water reactor to the DPRK. The statement underlined that the 1992 Joint Declaration on the Denuclearization of the Korean Peninsula shall be observed and implemented. It envisaged normalized relations between the DPRK, the United States and Japan, and economic cooperation and energy assistance to the DPRK on the part of the other participating parties. Specifically, the Republic of Korea had reaffirmed its proposal of 12 July 2005 concerning the provision of 2 million kilowatts of electric power to the DPRK. Another critical element of the joint statement was that all the parties had committed themselves to joint efforts for lasting peace and stability in North-East Asia. In that context, the directly involved parties had agreed to negotiate a permanent peace regime on the Korean Peninsula at an appropriate separate forum. Furthermore, the six parties had agreed to take coordinated steps to implement the agreements in the joint statement in a phased manner in line with the principle of 'commitment for commitment, action for action'.

7. His country wholeheartedly welcomed the successful outcome of the fourth round of six-party talks. The agreements reached had laid solid groundwork for the peaceful and diplomatic resolution of the DPRK nuclear issue. It was particularly encouraging to note the DPRK's commitment to abandoning all nuclear weapons and existing nuclear programmes and to returning, at an early date, to the nuclear non-proliferation regime, including Agency safeguards. Once fully implemented, that would help restore international confidence in the DPRK and enhance the global nuclear non-proliferation regime, which had been faced with unprecedented challenges. It would also serve as a major turning point in establishing a lasting peace on the Korean Peninsula, finally dismantling the lingering legacies of the Cold War in the region.

8. The daunting task that lay ahead was how to implement the joint statement fully. The Republic of Korea trusted that all the parties involved would continue their strenuous efforts with the same spirit and determination they had already exhibited, and it hoped that agreement would soon be possible on coordinated steps to implement the commitments made. The joint statement had been faithfully and successfully implemented to the satisfaction of all, in the interests of the complete resolution of the DPRK nuclear issue and enduring peace on the Korean Peninsula and beyond.

9. Given the nature of the DPRK nuclear issue and its significant impact on the global nuclear non-proliferation regime and the Agency's safeguards system, the Agency should play a central role in the required verification work in accordance with its statutory mandate. In that connection, the Agency should maintain its unabated resolve and attention to the issue and remain prepared for the efficient and effective verification work which would be required soon. The Republic of Korea also expected that the Agency would continue to make available its valuable advice, based on its verification expertise, to facilitate the success of the six-party talks.

10. His country appreciated the hard work done by all the parties involved, in particular the positive and constructive role played by China as host country for the talks. It hoped that the international community would continue to provide valuable support and contribute to a peaceful and comprehensive resolution of the issue.

11. Mr. AMANO (Japan) welcomed the fact that agreement had been reached on a joint statement at the fourth round of six-party talks. That agreement was an important and concrete achievement and the first step towards a peaceful solution of the DPRK nuclear issue. Japan highly appreciated the efforts of the States concerned in reaching that agreement, especially China which had coordinated the talks.

12. The nuclear weapons and nuclear programmes of the DPRK were a direct threat to peace and stability in North-East Asia, including Japan, and were also a serious challenge to the international nuclear non-proliferation regime. In spite of a series of IAEA General Conference resolutions, the DPRK had declined to accept comprehensive Agency safeguards and had been refusing to cooperate with the Agency in their implementation. In the joint statement, the DPRK committed itself to abandoning all nuclear weapons and existing nuclear programmes and returning, at an early date, to the NPT and Agency safeguards. It had also agreed that the 1992 Joint Declaration on the Denuclearization of the Korean Peninsula should be observed and implemented. Those commitments by the DPRK should provide a basis for realizing the denuclearization of the Korean Peninsula.

13. The States involved now needed to endeavour to implement the agreed principles. In particular, it was essential to achieve concrete agreement on issues, including details of verification measures and concrete procedures for the prompt realization of the verifiable dismantlement of all nuclear weapons and nuclear programmes by the DPRK. Japan hoped that the DPRK would comply with all international agreements related to nuclear issues, including the NPT, and implement completely and swiftly its comprehensive safeguards agreement with the Agency. Together with other partners, his country would continue to make every effort to achieve a peaceful resolution of the issue through the six-party talks and other diplomatic efforts.

14. Mr. SCHULTE (United States of America) said that the DPRK had now committed itself to abandoning all nuclear weapons and existing nuclear programmes and returning, at an early date, to the NPT and Agency safeguards. That commitment, which had been embodied in the joint statement, was an important step towards achieving the goal of denuclearizing the Korean Peninsula by achieving the complete, verifiable and irreversible dismantlement of all DPRK nuclear weapons and nuclear programmes. The next phase of the six-party talks was critical and urgent: implementation of the DPRK's commitments and the measures which the United States and other parties had agreed to take in return.

15. As the United States' chief negotiator at the six-party talks had stated, all elements of the DPRK's past and present nuclear programmes, including plutonium and uranium, and all nuclear weapons would have to be comprehensively declared and eliminated and not reconstituted in the future. The DPRK would have to take all steps necessary to permit verification of the correctness and completeness of its declarations of nuclear material and activities. Full implementation of Agency safeguards would be an important part of implementing the joint statement. The United States would work with the Agency to ensure that it was fully prepared to resume that role.

16. The parties had offered the DPRK energy assistance, economic cooperation and security assurances. The United States had offered the DPRK an opening to the normalization of relations once denuclearization was complete. Those were benefits that the DPRK had long sought, and they were benefits that addressed the needs of the people of the DPRK much more effectively than nuclear programmes ever would. His country believed that the principles in the joint statement gave the DPRK

a hopeful vision of the future in which trade, investment and people-to-people exchanges would replace the divisions of the past. The United States wanted the DPRK to join it in building a peaceful, stable future for North-East Asia. It looked forward to working with all the other parties, including the DPRK, with a view to making rapid progress in the six-party talks on an agreement to implement the goals outlined in the joint statement. Any transfer of nuclear material, or any nuclear weapon or missile test, would undermine the basis for the desired settlement.

17. While the nuclear issue was critical, the DPRK also needed to address other issues that divided it from the international community. The DPRK should abandon its criminal activities, such as narcotics trafficking, counterfeiting, weapons proliferation, smuggling and illicit transfers. The time had come for it to join the international community and earn access to the political, economic and security benefits of normalized international relations, trade, investment and assistance.

18. The threat of nuclear proliferation was at the top of the world's agenda. The DPRK had constituted one of three major challenges to the international non-proliferation regime. The second was illicit trafficking networks. The third would be covered under item 6(d) of the Board's agenda. While the DPRK was obviously a unique case, and much difficult work remained to be done, it was worth drawing some lessons. Despite concerns at the time, the Board had complied with its obligation under the Statute to report the DPRK's non-compliance to the Security Council of the United Nations. Despite the DPRK's threats and provocations, the international community had maintained its resolve and solidarity; and international pressure, embodied in the six-party talks and backed by the entire United Nations, had demonstrated to the DPRK that a peaceful, diplomatic solution was preferable to the reckless pursuit of nuclear weapons.

19. Mr. BERDENNIKOV (Russian Federation) said that his country had a strong interest in the just settlement of the nuclear problem on the Korean Peninsula, which had a common border with the Russian Far East. Important progress had been made in the fourth round of the six-party talks and he thanked China for its efforts in organizing them.

20. All parties had agreed on the goals of the talks and had indicated ways of achieving them. Most importantly, the DPRK had committed itself to abandoning nuclear weapons and all existing nuclear programmes and returning, at an early date, to the NPT and Agency safeguards. Furthermore, the parties had declared that they respected the right of the DPRK to the peaceful use of nuclear energy, had agreed to discuss at an appropriate time the provision of a light water reactor to the DPRK, and has stated their willingness to provide other energy assistance.

21. The results of the fourth round held out the hope for a successful continuation of the talks, the final goal of which was the denuclearization of the Korean Peninsula. In working towards that, full use should be made of the Agency's unique experience and technical capabilities as a proven verification mechanism.

22. Mr. WRIGHT (United Kingdom), speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate countries Croatia and Turkey, 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, Liechtenstein and Norway, members of the European Economic Area, and Moldova and Ukraine, said that the European Union welcomed the joint statement by the participants in the six-party talks and looked forward to early implementation of the commitments made and the establishment of effective verification arrangements. It remained ready to assist in whatever way it could, welcomed the cooperation and flexibility shown by the participants, and appreciated in particular China's efforts in hosting the talks.

23. Mr. BEVEN (Australia) welcomed the joint statement made by the participants in the six-party talks in Beijing.
24. The DPRK's commitment to return to the NPT and Agency safeguards was a positive step towards finding a peaceful and lasting solution. Australia strongly urged the DPRK to engage constructively to implement its commitments, thus increasing its own security and economic well-being and contributing to regional and global security.
25. The six-party talks were the most viable and appropriate mechanism for making progress on the issue and the DPRK should seize the opportunity presented by the joint statement to gain substantial economic and security benefits in exchange for a strategic decision to abandon its nuclear ambitions.
26. Mr. PROUDFOOT (Canada) congratulated the participants in the six-party talks on the significant progress made and China, in particular, for its role in convening the talks.
27. Since 1993, the Agency had been unable to implement fully its comprehensive NPT safeguards agreement with the DPRK and, since December 2002, it had been unable to perform any verification activities in that country. Canada therefore remained deeply concerned by the DPRK's nuclear activities and that concern had been compounded by that country's declaration in February 2005 that it possessed nuclear weapons. It therefore welcomed the DPRK's agreement in the joint statement, to dismantle its nuclear weapons and all existing nuclear programmes and looked forward to seeing it follow through on that commitment in a verifiable manner.
28. However, implementation of these commitments made would be no easy task, as indicated by the subsequent statements by the DPRK to the effect that the dismantlement of its nuclear weapons would not precede the provision of light water reactors. All the parties to the six-party talks should press forward without delay to ensure that the momentum gained was not lost. Canada expected to see the DPRK resume membership of the NPT and comply fully with its safeguards agreement. Only then could it gain the confidence of the world community and be granted access to the safeguarded light water reactors it desired.
29. Mr. GAFOOR (Singapore) said that his country had always taken the position that the situation in the DPRK should be resolved through peaceful and diplomatic means. The six-party talks were an important forum to work towards a comprehensive solution and, ultimately, to achieve the common objective of a denuclearized Korean Peninsula. The joint statement was encouraging in that regard. Notwithstanding its concern over the subsequent statement by the DPRK Foreign Minister, Singapore hoped for continued progress and looked forward to the resumption of the talks in early November 2005. Unfortunately, the Agency was still unable to evaluate the extent of the DPRK's nuclear programme and the establishment of effective verification arrangements should therefore be a priority.
30. Ms. KELLY (Argentina) said that her country had closely followed the situation on the Korean Peninsula since the DPRK had expelled the Agency's inspectors in late 2002, preventing the Agency from verifying that no nuclear material was being diverted for military purposes. The DPRK's subsequent withdrawal from the NPT had constituted a major challenge to the non-proliferation regime. Its statements concerning the possession of nuclear weapons had further heightened the international community's concern over security in the region. Argentina was pleased to learn of the initial agreement on principles reached in the six-party talks. It welcomed, in particular, the DPRK's commitment to abandon its nuclear weapons and return at an early date to the NPT and Agency safeguards. Argentina hoped that those developments marked the beginning of a new path of understanding that would help consolidate peace and security in the region and set a positive example for other regions.

31. Mr. BELEVAN-McBRIDE (Peru) said that his country greatly appreciated the results achieved at the most recent round of the six-party talks, namely the commitment on the part of the DPRK to dismantle fully its military nuclear programme. Peru saw that as a commitment to denuclearization and the complete elimination of nuclear weapons and, it hoped, a return to the NPT and Agency safeguards. He congratulated the DPRK on that important step, which would contribute to global peace, and thanked the Government of China for its tireless efforts to achieve peace on the Korean Peninsula and in the whole of East Asia.

32. Mr. MINTY (South Africa) said that his delegation welcomed the outcome of the latest round of six-party talks. The commendable efforts of all parties to continue their dialogue in an attempt to find a lasting solution to the situation on the Korean Peninsula had once again illustrated the value of dialogue and commitment to peaceful resolution of disputes. South Africa believed that long-lasting peace and security could only be achieved with the denuclearization of the Korean Peninsula and the dismantlement of the DPRK's nuclear weapons programmes in a transparent and verifiable manner. The initial reports that the DPRK had agreed to abandon all nuclear weapons and return to Agency safeguards and the NPT were encouraging. Allowing the Agency to resume its responsibilities in the DPRK was also of vital importance. South Africa looked forward to the early conclusion of the matter and the normalization of relations with the DPRK.

33. Mr. SHARMA (India) said that the joint statement made by the participants in the six-party talks suggested that, for the first time in many years, there was a prospect of breaking the spiral of escalation and reaching a peaceful and negotiated settlement of the outstanding issues. India joined others in congratulating the participants on that achievement and looked forward to the Agency resuming its activities.

34. Ms. BRIDGE (New Zealand)* said that her country welcomed the agreement reached at the six-party talks in Beijing, in particular the DPRK's commitment to abandon all nuclear weapons and existing nuclear programmes and return at an early date to the NPT and Agency safeguards. The inability of the Agency over the preceding three years to draw any conclusions regarding the DPRK's nuclear activities, following the expulsion of its inspectors, was cause for concern. The DPRK's withdrawal from the NPT and its subsequent declaration that it possessed nuclear weapons had created a serious challenge to the non-proliferation regime and security in the Asia and Pacific region. The latest news indicated that real progress had been made and that there was hope that the DPRK might return to the international community and benefit from all that that entailed. However, past experience had shown that the greatest challenge was implementation and New Zealand encouraged all parties to work assiduously to ensure that the opportunity created would produce lasting results. She paid tribute to China as host and facilitator, and congratulated the participants on their success.

35. Ms. FEROUKHI (Algeria), said that her country was extremely pleased at the recent news of an agreement in principle on a peaceful solution of the DPRK nuclear issue after long years of intense negotiations. She encouraged the participants in the six-party talks to ensure that the agreement reached yielded concrete results. The DPRK had declared its readiness to abandon its nuclear weapon programme, while asserting its right to peaceful uses of nuclear energy, and had committed itself to an early return to the NPT and the Agency safeguards regime. She paid tribute to the participants in the talks, in particular to China, for reaching an agreement through dialogue and negotiation that would doubtlessly contribute to peace and security.

36. The CHAIRPERSON, summing up the discussion, said that a number of members had considered the DPRK nuclear issue a serious challenge to the international nuclear non-proliferation regime and had urged the DPRK to dismantle completely any nuclear weapons programme in a prompt, transparent, verifiable and irreversible manner, maintaining the essential verification role of the Agency.

37. Concern had been expressed that the DPRK had not permitted any Agency verification activities since December 2002 and that the Agency was thus still not in a position to provide any assurances regarding nuclear material and activities in the DPRK.

38. The Board had emphasized the importance of continued dialogue to achieve a peaceful and comprehensive resolution of the DPRK nuclear issue.

39. In that regard, the Board had welcomed the joint statement issued on Monday 19 September following the six-party talks in Beijing in which, inter alia, the DPRK had expressed its commitment to abandon all nuclear weapons and existing nuclear programmes and return at an early date to the NPT and Agency safeguards. The Board had also noted that the joint statement called for the implementation of the 1992 Joint Declaration on the Denuclearization of the Korean Peninsula. The Board had further noted that the DPRK had stated that it had the right to peaceful uses of nuclear energy, and that the other parties had expressed their respect and had agreed to discuss, at an appropriate time, the subject of the provision of light water reactor to the DPRK. The Board had looked forward to the early implementation of the commitments and principles contained in the joint statement.

40. The Board had expressed appreciation for the efforts of the members of the six-party talks and had thanked China for the central role it had played in the talks.

41. The Board had expressed the view that a successfully negotiated settlement of that longstanding issue, maintaining the essential verification role of the Agency, would be a significant accomplishment for international peace and security.

42. The Board had requested the Director General to keep it informed of future developments.

43. She asked whether her summing-up was acceptable to the Board.

44. The Chairperson's summing-up was accepted.

(d) Other safeguards implementation issues
(GOV/2005/67)

45. Ms. HUSSAIN (Malaysia)*, speaking on behalf of the Non-Aligned Movement, questioned the wisdom of opening the debate on agenda item 6(d) while consultations were still ongoing.

46. The CHAIRPERSON said that, as the Director General's report had been published on 2 September 2005, she saw no reason for the Board to postpone its consideration of the issue.

47. Mr. JENKINS (United Kingdom), speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate country 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 Moldova, said that the EU had read with care and interest the Director General's most recent report on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran (GOV/2005/67) and had listened with equal attention to his balanced and objective oral report on the same subject at the start of Board's meetings. It was grateful to the Director General and the Secretariat for the impartiality and professionalism with which they had pursued investigations into questions arising from Iran's multiple failures, over an extended period of time, to declare nuclear material and activities in accordance with its safeguards obligations. It noted that good progress had been made by Iran in correcting the many instances of non-compliance that had been reported to the Board in November 2003. Good progress had also been made in the Agency's ability to confirm Iran's declarations, but several important questions remained outstanding,

in particular the origin of some of the HEU and the LEU particle contamination found at various locations in Iran, the extent of Iran's efforts to import, manufacture and use centrifuges of both the P-1 and P-2 designs, Iranian statements about plutonium research, Iranian activities at the Gchine uranium mine, and Iran's activities involving polonium.

48. The EU had read with concern a number of passages in the report indicating that: the Agency still needed to understand what contacts had taken place between Iran and intermediaries in the late eighties and early nineties and why P-1 centrifuge design documents similar to those provided in 1987 had been delivered again in 1994; the Agency was still seeking sufficient assurance that no activities related to the P-2 centrifuge design had been carried out between 1995 and 2002; the total number of unprocessed irradiated UO₂ targets stored in containers had turned out to be much higher than the number previously declared by Iran; the Agency's request to speak with the individual in charge of the Gchine project prior to 2002 had so far been refused and, in documents relating to that project shown to the Agency, the names of the persons who had designed, drawn, checked or approved the drawings, and the name of the company that had prepared the drawings, along with the project numbers and dates, had been blacked out; the Agency was still trying to acquire a better understanding of why, apparently, no work had been carried out at the Gchine site between 1993 and 2000; the Agency was still awaiting additional information and clarifications from Iran regarding efforts by the Physics Research Centre to acquire dual use materials and equipment that could be used in uranium enrichment or conversion activities, including access to relevant individuals.

49. The EU had also read with concern that the Agency had made a number of other requests for information or access to individuals or locations which had yet to be granted. The EU took a serious view of the Director General's assessment that full transparency was not only indispensable but overdue and that, given Iran's past concealment efforts over many years, such transparency should extend beyond the formal requirements of the safeguards agreement and additional protocol and include access to individuals, documentation related to procurement, dual use equipment, certain military-owned workshops and research and development locations. He noted that the Agency was still not in position to conclude that there were no undeclared nuclear materials or activities in Iran and that, in view of the past undeclared nature of significant aspects of Iran's nuclear programme, and its past pattern of concealment, that conclusion could be expected to take longer to arrive at than in normal circumstances.

50. Furthermore, Iran had not heeded the call made by the Board on 11 August 2005 for the re-establishment of full suspension of all enrichment-related activities, Iran's additional protocol was still unratified, and it had ignored the Board's request for reconsideration of its decision to construct a research reactor moderated by heavy water.

51. Those were some of the many factors that had led the European Union to the view that it was time for the Board to take stock.

52. In November 2003, the Board had had before it a report from the Director General which had made it clear that Iran had concealed many aspects of its nuclear activities, with resultant breaches of its obligation to comply with the provisions of its safeguards agreement. That report also noted that some of the breaches dealt with the most sensitive aspects of the nuclear fuel cycle, including enrichment and reprocessing. The Board had therefore endorsed the view of the Director General that a policy of full transparency and openness on the part of Iran was indispensable, had called on Iran to sustain full cooperation with the Agency in implementing its commitment to full disclosure and unrestricted access, had underlined that it was essential that the declarations made by Iran in 2003 amounted to the correct, complete and final picture of Iran's past and present nuclear programme, had re-emphasized the importance of Iran moving swiftly to ratify the additional protocol, had welcomed Iran's decision voluntarily to suspend all enrichment-related and reprocessing activities and had

requested Iran to adhere to that decision in a complete and verifiable manner. Subsequently, the Board had called on Iran to reconsider its decision to construct a research reactor moderated by heavy water.

53. After an interval of almost two years, the Director General had reported that full transparency, which he described as overdue, still had not been forthcoming. Iran's October 2003 declaration, said by Iran to provide a full picture of its nuclear activities, had turned out to be incomplete with respect, *inter alia*, to its P-2 centrifuge activities, the level of enrichment achieved by its laser enrichment work, and its plutonium research. The contamination issue remained unresolved. Iran's additional protocol remained unratified. All enrichment-related activities in Iran had been suspended for only 8 of the 22 months that had passed since November 2003. Furthermore, the construction of a research reactor moderated by heavy water had begun and was continuing.

54. Clearly, Iran had failed to honour the commitments that had made it possible for the Board to hold back from reporting to the Security Council and others in November 2003 the non-compliance reported to it by the Secretariat. It had not engaged in full cooperation with the Agency to address and resolve through full transparency all requirements and outstanding issues of the Agency. Having taken more than a year to get round to suspending all enrichment-related and reprocessing activities, it had, in defiance of clear Board requests, abandoned that suspension well before the resolution by the Agency of all the issues arising from its non-compliance. Yet the resolution the Board had adopted in November 2004 underlined that the full and sustained implementation of that suspension was essential to addressing outstanding issues.

55. The EU had sought to create conditions in which the international community could leave it to the Agency to provide the necessary assurances in the knowledge that, meanwhile, Iran would not be developing a capability to produce fissile material. The development by Iran of the most sensitive parts of the fuel cycle had neither an economic nor a technical rationale. It was therefore regrettable and cause for concern that Iran was showing every sign of being intent on developing a fissile material production capability well before the international community acquired the confidence it needed that Iran's programme was exclusively peaceful in nature. It was that concern that had led the EU to assert that the Board could not simply overlook Iran's failure to fulfil its commitments and its defiance of Board resolutions. The Board had to ask itself whether there was anything that could be done to convince Iran to implement the necessary confidence-building measures and grant the Agency the full transparency which the Director-General had described on 19 September 2005 as a prerequisite for the Agency to be able to reconstruct the history and nature of all aspects of Iran's past nuclear activities.

56. The EU believed that the Board should draw the attention of the Security Council to the safeguards breaches and failures first reported to the Board in 2003, and to the questions that had arisen in that connection that were within the competence of the Security Council, in order to give the latter an opportunity to throw its weight and authority behind the Board's resolutions and endorse the Board's calls for confidence-building measures, especially full suspension, and for the full transparency that had first been promised in October 2003. Involving the Security Council was not intended to close off diplomacy but was, on the contrary, intended to facilitate it by reinforcing the message that the international community expected Iran to deliver on its promises of full transparency and full suspension. EU Member States intended to work within the Security Council to ensure a sensible, measured and constructive multilateral approach to the issue. The Agency would remain seized of the matter and the Secretariat's responsibility for implementing Iran's safeguards agreement would be unaltered.

57. He stressed that the EU recognized the inalienable right of NPT parties to develop research, production and use of nuclear energy for peaceful purposes without discrimination in conformity with Articles I and II of the Treaty. However, maintaining the balance between the rights and obligations envisaged in the Treaty was essential. It was incumbent on a non-compliant State to return to full

compliance and to build the necessary confidence in the exclusively peaceful nature of its nuclear activities. In the specific case of Iran, the suspension of fissile material production and enrichment-related activities would do just that. It was therefore prudent for the Board and the international community to insist on it.

58. Mr. AMANO (Japan) commended the Director General and the Department of Safeguards on their high level of professionalism in trying to resolve the Iranian nuclear issue.

59. Iran should fulfil all its legal obligations under its safeguards agreement and cooperate positively with the Agency with a view to achieving early resolution of the outstanding issues. It was essential that it promptly provide adequate and complete information on its nuclear activities, allow any access deemed necessary by the Agency, and take the measures stipulated in the report of the Director General dated 2 September 2005. Japan appreciated the cooperation other States had extended to the Agency in that connection and hoped they would continue to cooperate.

60. Given the vital role of the Board in maintaining and strengthening the credibility of the international nuclear non-proliferation regime, it was of the utmost importance that Iran respond sincerely to all requests made by the Board in its resolutions, including the suspension of its enrichment-related and reprocessing activities and uranium conversion activities. It was equally important that it ratify its additional protocol as a matter of urgency.

61. Japan strongly supported the efforts made by the three European countries that had been negotiating with Iran and urged Iran to make efforts to ensure an early resolution of the issue.

62. Mr. SCHULTE (United States of America) said that his Government was a strong proponent of the peaceful uses of nuclear energy. The United States had nuclear cooperation agreements with some 45 countries and was the largest contributor to the Agency's technical cooperation programme. It believed that civil nuclear energy would play an increasingly important role in meeting the growing energy requirements of both developed and developing countries and supported the right of all Member States to pursue nuclear energy for peaceful uses. That right was embodied in the NPT which, however, did not allow that right to be manipulated cynically for military ends. Hiding a weapons programme under the cover of peaceful use was a danger about which the Secretary General of the United Nations and the Director General of the Agency had repeatedly warned, and which subverted the non-proliferation regime and jeopardized the peaceful benefits of nuclear power that all countries deserved to enjoy.

63. In November 2003, the Board had condemned Iran's failures and breaches of its safeguards obligations and could at that time have reported Iran's non-compliance to the United Nations Security Council. Instead, it had chosen to allow time for those failures and breaches to be rectified and for the Agency to investigate the many outstanding issues. Thus, Iran had been given time to try to earn the confidence of the international community in the peaceful nature of its nuclear activities. Time had also been allowed for the three European countries to pursue a negotiated settlement that would have given Iran substantial political and economic benefits in exchange for forgoing the capabilities that were the cause of such concern. Over the preceding two years, the Agency and the three European countries had been tireless in their efforts to resolve outstanding issues. However, Iran had used that time to begin uranium conversion and prepare enrichment, to accelerate work on a heavy-water research reactor, to reject generous offers even before they had been received and to continue to deny the full transparency needed in order for the Director General to be able to verify the nature of Iran's programmes. Iran's actions had, regrettably, exhausted the Board's forbearance. A country with peaceful intent would fully comply with its NPT commitments, not threaten to withdraw from them; and a country seeking the Board's confidence would suspend activities of concern, not threaten to move to the next stage.

64. The United States agreed with the EU that the time had come to report Iran's non-compliance to the United Nations Security Council. Article XII.C of the Agency's Statute unambiguously required the Board to make such a report. Two years of determined effort had not allowed the Agency to conclude that there were no undeclared nuclear weapons or activities in Iran. Over the same period, the Board's confidence in the peaceful nature of Iran's activities had declined. That, coupled with the scope and nature of Iran's nuclear programme, unexplained connections to the military, extensive efforts at concealment, and the intentional shattering of the Paris agreement provided clear cause to notify the Security Council under Article III.B.4 of the Statute.

65. The goal still was to achieve a peaceful diplomatic solution that would restore confidence in Iran's activities and return it to full compliance with its safeguards obligations. However, Iran's actions and bellicose statements in Tehran, New York and Vienna had shown no flexibility and had only served to deepen concerns about its intentions. Reporting Iran to the Security Council would help make it clear to Iran's leadership that the course they were pursuing would lead to increasing condemnation and isolation and would allow the Security Council to take appropriate steps to strengthen international efforts to achieve a diplomatic solution. The proposed resolution would not remove the issue from the Agency's remit, but would seek the Security Council's help in convincing Iran that it had to take its obligations to the Agency seriously. Thus, reporting Iran's non-compliance would be another essential step in the diplomatic efforts to convince Iran to change course and come back to the negotiating table.

66. In conclusion, he thanked the Agency's Department of Safeguards, whose investigators had been tireless in their endeavours to penetrate systematic efforts to conceal capabilities and manipulate facts, working under the most difficult and unusual of circumstances.

67. Mr. BEVEN (Australia) said that his country had welcomed the Paris agreement between Iran and the three European countries in which Iran had undertaken to continue and extend its suspension to include all enrichment-related and reprocessing activities, and to sustain that suspension while negotiations proceeded on a mutually acceptable agreement on long-term arrangements. In August 2005, the three European countries had presented to Iran the framework for a long-term agreement which would commit Iran to providing objective guarantees that its nuclear programme would be for exclusively peaceful purposes, and which would offer Iran commitments on security issues and guarantees on nuclear, technological and economic cooperation. Australia had supported that process and had been disappointed that Iran had failed to seize the opportunities put before it.

68. The Board had repeatedly called on Iran to suspend all enrichment-related and reprocessing activities as an essential confidence-building measure. Successive resolutions of the Board had made it clear that the suspension included uranium conversion. Australia had consistently said that Iran's maintenance of the suspension was a vital element in the international effort to reach a resolution of the issue.

69. Iran was pursuing a full nuclear fuel cycle without convincing justification. Following eighteen years of clandestine nuclear activity and after more than two years of Agency investigations, key questions remained about the nature and intentions of its nuclear programme. Its continued lack of complete transparency about its sensitive nuclear activities had undermined its claims that its nuclear programme was directed purely towards civil nuclear power generation.

70. When Iran's nuclear activities had first come before the Board, his country had stressed the need for close cooperation between the Agency and the Iranian authorities, for urgent progress on the steps called for by the Director General, and for full transparency with respect to sensitive nuclear fuel cycle facilities. Some two years later, it would appear that those words — along with those of the Board and the international community — had gone largely unheeded.

71. In his report of 2 September 2005 on Iran, the Director General stated that Iran had failed in a number of instances over an extended period of time to meet its obligations under its safeguards agreement. The report noted that, in view of the fact that the Agency was not yet in a position to clarify some important outstanding issues after two and a half years of intensive inspections and investigation, Iran's full transparency was indispensable and overdue; and that the Secretariat was still not in a position to conclude that there were no undeclared nuclear material or activities in Iran. The report confirmed that Iran continued to cooperate with the Agency selectively. It had been given every reasonable opportunity to provide the necessary reassurance and had failed to do so.

72. In his introductory statement, the Director General had said that the issue was a special verification case that required additional transparency measures and that two decades of concealed activities had created a situation that made it imperative for the Agency's investigation to go beyond the confines of the safeguards agreement and the additional protocol, to compensate for the confidence deficit created.

73. Paragraph 49 of the Director General's report stated that the Agency continued to follow up on information pertaining to Iran's nuclear programme and activities that could be relevant to that programme, was awaiting some additional information in relation to the Lavisan site, and was still waiting to be able to re-visit the Parchin site. That paragraph dealt with possible weaponization activities, a matter that went to the very heart of non-proliferation. The same paragraph stated that the Agency's legal authority to pursue the verification of possible nuclear weapons-related activity was limited. The extent of that limitation was debatable, and the existence of equipment, material and activities that could be used for nuclear weaponization might give a very clear indication of a State's intent to divert nuclear material. Australia strongly believed that the Agency had the right and responsibility to investigate possible nuclear weaponization activities. Iran should immediately give the Agency the access to all individuals, information and locations it sought.

74. The United Nations Security Council should be given the opportunity to reinforce the Agency's efforts and enhance its authority, with the ultimate aim of resolving the international community's concerns about Iran's nuclear programme. His country had repeatedly made it clear that it was of the view that the nature and scale of Iran's safeguards breaches and its concealment activities constituted non-compliance and should be reported as such.

75. Since 1992, four States had been reported to the United Nations Security Council under Article XII.C of the Agency's Statute. For two of those States, non-compliance had been in the past and had been resolved. Those cases confirmed that there was no time limit for reporting States to the Security Council. Given the number of unresolved issues regarding Iran's nuclear programme and its safeguards failures and breaches, which the Board had strongly deplored in its November 2003 resolution, and that country's ongoing lack of cooperation with the Agency together with the fact that a number of important issues remained unresolved, the time had come for Iran to be similarly reported. Australia also considered that a strong case existed for notifying the Security Council on the basis of Article III.B.4 of the Statute.

76. It was deeply regrettable that Iran had chosen to continue on a divergent path. To allow that situation to continue would damage the integrity of the safeguards system and international confidence in the non-proliferation regime. Accordingly, the Board should now take the necessary actions in line with the Agency's Statute.

77. Mr. PROUDFOOT (Canada) said that the Director General's report on Iran had informed the Board that Iran had not fulfilled the Board's request to re-establish its suspension of all enrichment-related activities, drew attention once again to Iran's many instances of past non-compliance and called for increased transparency if the Agency was to resolve outstanding safeguards issues.

78. Nearly two years previously, in view of Iran's many and serious acts of non-compliance and its long policy of concealment, the Board had called upon that country to suspend certain fuel-cycle activities not essential to its civil nuclear programme. That voluntary suspension had been necessary to rebuild the confidence Iran had forfeited as a result of its history of non-compliance and concealment and had allowed the Board to hold in abeyance the execution of its statutory obligation to report non-compliance to the Security Council.

79. The Board had also wished to facilitate the process of dialogue led by France, Germany and the United Kingdom. That dialogue had been promising, although Iran's suspension of enrichment-related activities had been intermittent. However, in the preceding month Iran had unilaterally broken the suspension by resuming uranium conversion and had simultaneously rejected a very attractive offer from the three European countries, thus fracturing the process of dialogue.

80. Thus, the reasons which had led the Board to hold off reporting Iran's non-compliance to the Security Council no longer applied. What was more, having further eroded international confidence in its intentions, Iran had accentuated concerns about the broader implications of its nuclear programme that were relevant to the Security Council's mandate as the body responsible for international peace and security.

81. Canada had never denied Iran's right to the peaceful uses of nuclear energy, but those rights had to be exercised in conformity with international non-proliferation obligations under the NPT. That Iran had chosen to develop proliferation-sensitive aspects of its programme in a clandestine manner, and in doing so had committed multiple acts of non-compliance with its safeguards agreement, cast doubt on its claims that its programme was entirely peaceful. Moreover, the fact that Iran had chosen to pursue activities for which it had no coherent explanation, and which did not correspond to the requirements of an incipient nuclear power programme but which did match the checklist for a nuclear weapons programme, heightened his country's concern, particularly in the context of Iran's policy of concealment and its continuing lack of full transparency.

82. The special Board meeting in August 2005 had again called upon Iran to re-establish the full suspension of its enrichment-related activities, but Iran had ignored that call. The resolution which the Board would be adopting during its current series of meetings would be its eighth on the issue and, in the two and a half years that that issue had been before it, the Board had demonstrated extraordinary forbearance. Since Iran had turned down the Board's latest appeal, the time had come for it to report the matter to the Security Council. In doing so it would be acting within the framework of the Agency and taking a step foreseen, and indeed required, by its Statute. That action was essential for the organization's credibility, as well as for the multilateral nuclear non-proliferation and disarmament regime of which the Agency was a key part.

83. However, the Board would not be divesting itself of responsibility for the implementation of safeguards in Iran. That matter should remain on its agenda. The Board should request the Security Council to reiterate and reinforce the Board's own calls for Iran to re-establish the suspension of its enrichment-related activities and grant the Agency the greater transparency and access which the Director General had indicated was required. Canada urged the Board to take that essential step during the current series of meetings.

84. Mr. AKHONDZADEH (Islamic Republic of Iran)*, and Ms. HUSSAIN (Malaysia)* speaking on behalf of the Non-Aligned Movement, reserved the right to speak at a later point.

7. Other matters arising from the forty-seventh (2003) and the forty-eighth (2004) regular sessions of the General Conference

(b) Personnel matters (resumed)

(i) Staffing of the Agency's Secretariat (GOV/2005/54)

(ii) Women in the Secretariat (GOV/2005/56)

85. The CHAIRPERSON, summing up the discussion on the item, said that several members had expressed appreciation to the Secretariat for its continuing efforts to improve the recruitment of women, and of staff members from developing countries and from other Member States which were unrepresented or under-represented in the Secretariat.

86. Other Member States had expressed concern at the level of representation of developing countries and/or the under-representation of their citizens in the staff of the Secretariat, and at the slow pace of achieving gender balance, and had asked that efforts be reinforced.

87. With regard to women in the Secretariat, some members had recalled the aim of the United Nations General Assembly to promote equal gender distribution.

88. Although an encouraging increase in the proportion of female staff in the Professional and higher categories in the Secretariat had been noted, concern had been expressed that the proportion remained low at 20.1%. It had been noted, however, that the percentage of women in the administrative field of work (e.g. legal, budget and finance, personnel) was 31.3%, whereas in the scientific and engineering fields (e.g. nuclear engineering, physics) it was only 14.1%, and that that low percentage reflected the low number of women in the nuclear field in general, which created a particular challenge for the Agency.

89. Member States had emphasized the importance of increasing outreach activities funded from the Regular Budget and aimed at young female professionals, the provision of fellowships and the junior Professional programme.

90. The Secretariat had noted its practice that, in cases of comparable qualifications for a post, special consideration was given to female candidates and that, in cases where external female applicants were among those candidates rated well qualified and an external candidate was selected, a woman was selected for the position in a very high percentage of cases.

91. The Secretariat had emphasized that increasing the number of well-qualified female applicants was crucial to improving gender balance in the short term. It recognized its limitations, in that its staff designated for recruitment activities was small, and stressed the importance of the active engagement of Member States in identifying suitable female candidates. In that context, Member States had indicated that they were prepared to work with the Secretariat in designating points of contact for the recruitment of women and all Member States had been encouraged to establish such points of contact.

92. She took it that the Board wished to take note of the information contained in documents GOV/2005/54 and GOV/2005/55.

93. It was so decided.

The meeting rose at 11.55 a.m.