

IAEA Board of Governors

Record of the 1148th Meeting
GOV/OR.1148

Implementation of the NPT safeguards agreement in the Islamic Republic of Iran

Board of Governors

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Record of the 1148th Meeting

Held at Headquarters, Vienna, on Thursday, 2 February 2006, at 10.50 a.m.

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¹ GOV/2006/13

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.)

Mr. AMANO		Chairman (Japan)
Ms. FEROUKHI	_____	Algeria
Mr. PARINI		Argentina
Ms. STOKES		Australia
Mr. SYCHOV		Belarus
Mr. NIEUWENHUYS		Belgium
Mr. GUERREIRO		Brazil
Ms. GERVAIS-VIDRICAIRE		Canada
Mr. WU Hailong		China
Mr. SERRANO CADENA		Colombia
Mr. CARRERA DORAL		Cuba
Mr. MOREJÓN-ALMEIDA		Ecuador
Mr. RAMZY		Egypt
Mr. CARON		France
Mr. HONSOWITZ		Germany
Mr. BEKOE		Ghana
Mr. SOTIROPOULOS		Greece
Mr. SHARMA		India
Mr. WIBOWO		Indonesia
Mr. SUMI		Japan
Mr. CHO Chang-Beom		Korea, Republic of
Mr. ALOBIDI		Libyan Arab Jamahiriya
Mr. AAS		Norway
Mr. SENNFELT		Portugal
Mr. BERDENNIKOV		Russian Federation
Mr. GAFOOR		Singapore
Ms. ŠIMKOVÁ		Slovakia
Mr. PETRIČ		Slovenia
Mr. MINTY		South Africa
Ms. WIJEWARDANE		Sri Lanka
Ms. MELIN		Sweden
Mr. GHANEM		} Syrian Arab Republic
Mr. OTHMAN		
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. MÁRQUEZ MARÍN		
Mr. SHARAF		Yemen
Mr. ELBARADEI	_____	Director General
Mr. HEINONEN		Deputy Director General, Department of Safeguards
Mr. ANING		Secretary of the Board

Representatives of the following Member States also attended the meeting:

Albania, Angola, Armenia, Austria, Azerbaijan, Bangladesh, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Cameroon, Chile, Côte d'Ivoire, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Eritrea, Estonia, Ethiopia, Finland, Guatemala, Holy See, Iceland, Islamic Republic of Iran, Iraq, Israel, Italy, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Liechtenstein, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Mongolia, Morocco, Namibia, Netherlands, New Zealand, Nicaragua, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Qatar, Romania, Saudi Arabia, Serbia and Montenegro, Spain, Sudan, Switzerland, Thailand, The Former Yugoslav Republic of Macedonia, Tunisia, Turkey, Ukraine, United Arab Emirates, Uruguay, Vietnam, Zimbabwe.

Abbreviations used in this record:

AEOI	Atomic Energy Organization of Iran
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
NPT Review Conference	Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons
PFEP	Pilot Fuel Enrichment Plant
PHRC	Physics Research Centre
R&D	research and development
UCF	Uranium Conversion Facility

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

– **Opening of the meeting**

1. The CHAIRMAN welcomed all present, in particular the new Governors (Mr. Wibowo of Indonesia, Mr. Curia of Argentina and Mr. Sun Qin of China) and the new Resident Representatives (Mr. Gumbi of South Africa, Mr. Soltanieh of the Islamic Republic of Iran, Mr. Kuanyshev of Kazakhstan and Mr. Amehou of Benin). The meeting had been convened at the request of France, Germany and the United Kingdom, by their letter to him dated 18 January 2006. The request had been conveyed to Governors in a Note by the Chairman of the same date.

– **Adoption of the agenda** (GOV/2006/2/Rev.1)

2. The CHAIRMAN took it that the Board wished to adopt the provisional agenda contained in document GOV/2006/2/Rev.1.

3. The agenda was adopted.

– **Implementation of the NPT safeguards agreement in the Islamic Republic of Iran** (GOV/2006/11 and 12; GOV/INF/2006/1 and 2; INFCIRC/662 and 665)

4. The CHAIRMAN said that members had received in writing an update brief dated 31 January 2006 from the Deputy Director General for Safeguards and had been given the opportunity the previous day to obtain clarification from him on any technical issues arising.

5. The DEPUTY DIRECTOR GENERAL FOR SAFEGUARDS said the purpose of the update brief was to provide an update on the developments that had taken place since November 2005 in connection with the implementation of the NPT safeguards agreement in the Islamic Republic of Iran and on the Agency's verification of Iran's voluntary suspension of enrichment-related and reprocessing activities. The brief provided factual information concerning those developments; it did not include any assessments thereof.

6. Iran had continued to facilitate access under its safeguards agreement as requested by the Agency and to act as if the additional protocol were in force, including by providing in a timely manner the requisite declarations and access to locations.

7. As detailed in the Director General's report of 18 November 2005, contained in document GOV/2005/87, during meetings that had taken place in October and November 2005, the Agency had requested Iran to provide additional information on certain aspects of its enrichment programme. Responses to some of those requests had been provided during discussions held in Tehran from

25 to 29 January 2006 between Iranian officials and an Agency team headed by himself. That information was currently being assessed.

8. As part of its assessment of the correctness and completeness of Iran's declarations concerning its enrichment activities, the Agency was continuing to investigate the source(s) of LEU particles, and some HEU particles, which had been found at locations where Iran had declared that centrifuge components had been manufactured, used and/or stored.

9. As previously reported to the Board, Iran had shown the Agency in January 2005 a copy of a hand-written one-page document reflecting an offer said to have been made to Iran in 1987 by a foreign intermediary concerning the possible supply of a disassembled centrifuge (including drawings, descriptions and specifications for the production of centrifuges); drawings, specifications and calculations for a "complete plant"; and materials for 2000 centrifuge machines. The document also made reference to: auxiliary vacuum and electric drive equipment; a liquid nitrogen plant; a water treatment and purification plant; a complete set of workshop equipment for mechanical, electrical and electronic support; and uranium reconversion and casting capabilities.

10. On 25 January 2006, Iran had reiterated that the one-page document was the only remaining documentary evidence relevant to the scope and content of the 1987 offer, attributing that to the secret nature of the programme and the management style of the AEOI at that time.

11. Iran had stated that no other written evidence existed, such as meeting minutes, administrative documents, reports, personal notebooks or the like, to substantiate its statements concerning that offer.

12. According to Iran, there had been no contacts with the network between 1987 and mid-1993. Statements made by Iran and by key members of the network about the events leading to the mid-1990s offer were still at variance with each other. In that context, Iran had been asked to provide further clarification of the timing and purpose of certain trips taken by AEOI staff members in the mid-1990s.

13. Iran had been unable to supply any documentation or other information about the meetings that had led to the acquisition of 500 sets of P-1 centrifuge components in the mid-1990s. The Agency was still awaiting clarification of the dates and contents of those shipments.

14. Iran still maintained that, as a result of the discussions held with the intermediaries in the mid-1990s, the intermediaries had supplied only drawings for P-2 centrifuge components (which contained no supporting specifications), and that no P-2 components had been delivered along with the drawings or thereafter. Iran continued to assert that no work had been carried out on P-2 centrifuges during the period 1995 to 2002, and that at no time during that period had it ever discussed with the intermediaries the P-2 centrifuge design, or the possible supply of P-2 centrifuge components. In light of information available to the Agency indicating the possible deliveries of such components, which information had been shared with Iran, Iran had been asked in November 2005 to check again whether any deliveries had been made after 1995.

15. In connection with the R&D work on a modified P-2 design said by Iran to have been carried out by a contracting company between 2002 and July 2003, Iran had confirmed that the contractor had made enquiries about, and purchased, magnets suitable for the P-2 centrifuge design. The Agency was still awaiting clarification of all of Iran's efforts to acquire such magnets.

16. Iran had shown the Agency more than 60 documents said to have been the drawings, specifications and supporting documentation handed over by the intermediaries, many of which were dated from the early- to mid-1980s. Among those was a 15-page document describing the procedures for the reduction of UF₆ to metal in small quantities, and the casting of enriched and depleted uranium metal into hemispheres, related to the fabrication of nuclear weapon components. It did not, however,

include dimensions or other specifications for machined pieces for such components. According to Iran, the document had been provided on the initiative of the network and not at the request of the AEOI. Iran had declined the Agency's request to provide the Agency with a copy of the document, but had permitted the Agency during its visit in January 2006 to examine the document again and to place it under Agency seal.

17. On 1 November 2005, the Agency had been given access to a military site at Parchin with a view to providing assurances regarding the absence of undeclared nuclear material and activities at that site, where several environmental samples had been taken. Final assessment was still pending the results of the analysis of those samples.

18. Since 2004, the Agency had been awaiting additional information and clarifications related to efforts made by the PHRC, which had been established at Lavisan-Shian, to acquire dual-use materials and equipment that could be used in uranium enrichment and conversion activities. The Agency had also requested interviews with the individuals involved in the acquisition of those items. According to Iran, the PHRC had been established in 1989, inter alia, to support and provide scientific advice and services to the Ministry of Defence.

19. On 26 January 2006, Iran had presented to the Agency documentation the Agency had previously requested on efforts by Iran, which it had stated had been unsuccessful, to acquire a number of specific dual-use items (electric drive equipment, power supply equipment and laser equipment, including a dye laser). Iran had stated that, although the documentation suggested the involvement of the PHRC, the equipment had actually been intended for a laboratory at a technical university where the Head of the PHRC worked as a professor. However, Iran had declined to make him available to the Agency for an interview. The Deputy Director General for Safeguards had reiterated the Agency's request to interview the professor, explaining that it was essential for a better understanding of the envisioned and actual use of the equipment, which included balancing machines, mass spectrometers, magnets and fluorine handling equipment (equipment that appeared to be relevant to uranium enrichment).

20. On that same day, the Agency had also presented to Iran a list of high vacuum equipment purchased by the PHRC, and had asked to see, and to take environmental samples from, the equipment in situ. The following day, some of the high vacuum equipment on the Agency's list had been presented at a technical university, and environmental samples had been taken from it.

21. On 26 January 2006, Iran had provided additional clarification about its efforts in 2000 to procure some other dual-use material (high-strength aluminium, special steel, titanium and special oils), as had been discussed in January 2005. High-strength aluminium had been presented to the Agency, and environmental samples had been taken therefrom. Iran had stated that the material had been acquired for aircraft manufacturing, but had not been used because of its specifications. Iran had agreed to provide additional information on inquiries concerning the purchase of special steels, titanium and special oils. Iran had also presented information on Iran's acquisition of corrosion-resistant steel, valves and filters, which had been made available to the Agency on 31 January 2006 for environmental sampling.

22. On 5 December 2005, the Agency had reiterated its request for a meeting to discuss information that had been made available to the Agency about alleged undeclared studies, known as the Green Salt Project, concerning the conversion of uranium dioxide into UF₄ ('green salt'), as well as tests related to high explosives and the design of a missile re-entry vehicle, all of which could have a military nuclear dimension and which appeared to have administrative interconnections. On 16 December 2005, Iran had replied that the "issues related to baseless allegations." Iran had agreed on 23 January 2006 to a meeting with him for the clarification of the Green Salt Project, but had

declined to address the other topics during that meeting. In the course of the meeting, which had taken place on 27 January 2006, the Agency had presented for Iran's review a copy of a process flow diagram related to bench-scale conversion and communications with respect to the project. Iran had reiterated that all national nuclear projects were conducted by the AEOI, that the allegations were baseless and that it would provide further clarifications later.

23. The Agency had continued to verify and monitor all elements of Iran's voluntary suspension of enrichment-related and reprocessing activities.

24. In a letter dated 3 January 2006, Iran had informed the Agency that it had decided to resume, as from 9 January 2006, the R&D on the peaceful nuclear energy programme which had been suspended as part of its expanded voluntary and non-legally binding suspension (reported in document GOV/INF/2006/1). On 7 January 2006, the Agency had received a letter from Iran requesting that the Agency remove seals applied at Natanz, Farayand Technique and Pars Trash for the monitoring of suspension of enrichment-related activities (reported in document GOV/INF/2006/2). The seals had been removed by Iran on 10 and 11 January 2006 in the presence of Agency inspectors.

25. Since the removal of the seals, Iran had started what it referred to as "small-scale R&D". As of 30 January 2006, Agency inspectors had not seen any new installation or assembly of centrifuges, or the feeding of UF₆ material for enrichment. However, substantial renovation of the gas handling system was underway at the PFEP at Natanz, and quality control of components and some rotor testing was being conducted at Farayand Technique and Natanz. Owing to the fact that all centrifuge-related raw materials and components were without Agency seals, the Agency's supervision of the R&D activities being carried out by Iran could not be effective except at PFEP, where containment and surveillance measures were being applied for the enrichment process. The two cylinders at Natanz containing UF₆, from which seals had been removed on 10 January 2006, had been again placed under Agency containment and surveillance on 29 January 2006.

26. The uranium conversion campaign which had commenced at the UCF in Esfahan on 16 November 2005 was continuing and was expected to end in March 2006. All UF₆ produced at the UCF thus far had remained under Agency containment and surveillance.

27. Using satellite imagery, the Agency had continued to monitor the ongoing civil engineering construction of the Iran Nuclear Research Reactor (IR-40) at Arak.

28. Mr. HONSOWITZ (Germany), speaking on behalf of the European countries which had requested the convening of the meeting, said that Iran's nuclear activities had been a matter of great concern to the international community since 2003, when Iran had been forced to admit that it had conducted a secret nuclear programme relating to the most sensitive parts of the nuclear fuel cycle for nearly 20 years. At the time, the Director General had found that Iran's policy of concealment had resulted in many breaches of its obligation to comply with its safeguards agreement. According to its rules, the Agency should have reported the matter to the Security Council then.

29. However France, Germany and the United Kingdom had launched a diplomatic initiative geared towards offering Iran an opportunity to address international concerns and establish international confidence that its nuclear programme was exclusively peaceful in nature. Iran had agreed to suspend all enrichment-related and reprocessing activities while negotiations were under way. That Iranian commitment had been of key importance for the credibility and sustainability of the process that the three European countries had conducted with Iran. Iran had made a commitment not to proceed with activities which gave rise to international concerns on account of their nuclear weapon potential. That diplomatic process had allowed the Board to suspend the report to the Security Council that should have been made under the Statute.

30. Despite a number of setbacks prompted by provocative Iranian actions in violation of its obligations under Agency resolutions and the agreements with France, Germany and the United Kingdom, the three European countries had pursued the diplomatic avenue in good faith for nearly two years.

31. In early August 2005, Iran had been offered an ambitious proposal for cooperation with Europe in the political, security and economic fields. That proposal had reaffirmed Iran's rights under the NPT and had included European support for a civilian nuclear programme in Iran as well as proposals for internationally guaranteed supplies of fuel for Iran's nuclear power programme. That offer had been brusquely rejected before it had been handed over. Even before rejecting the offer, Iran had resumed uranium conversion at Esfahan despite repeated requests by the Board for it not to do so. That had been a clear violation of Board resolutions and the commitments that Iran had made in the November 2004 Paris agreement. However, responding to requests by Board members, France, Germany and the United Kingdom had been ready to go the extra mile in search of a negotiated solution. To that end, they had met an Iranian delegation for exploratory talks on 21 December 2005 to see if a basis could be found for resuming negotiations. At that meeting the Europeans had made it clear that a resumption of negotiations would be possible only if Iran refrained from any further erosion of its suspension commitment. A further exploratory meeting on 18 January 2006 had been agreed on.

32. On 3 January 2006, however, Iran had written to the Director General informing him that it would resume enrichment-related activities. That decision, announced prior to the meeting foreseen for 18 January 2006, was a further clear rejection of the diplomatic process which had been launched by France, Germany and the United Kingdom and supported by the international community. It also constituted a further challenge to the authority of the Agency and the non-proliferation regime. In the face of that challenge, the Foreign Ministers of the three European countries and the High Representative of the European Union had met in Berlin on 12 January 2006 and decided to inform the Board that their discussions with Iran had reached an impasse.

33. France, Germany and the United Kingdom continued to be committed to resolving the issue diplomatically. Over the preceding weeks, they had conducted a very broad range of consultations at the highest levels. Those consultations had revealed that their concerns about the nature of the Iranian nuclear programme were widely shared. The consultations had involved all five permanent members of the Security Council and had led to a ministerial meeting in London on 30 January 2006.

34. He emphasized that the existing situation was not a dispute between Iran and Europe, but an issue between Iran and the entire international community represented in the Board. It was not a dispute about Iran's rights under the NPT, which had always been respected and reconfirmed, but about Iran's need to build the necessary confidence in the exclusively peaceful nature of its nuclear programme, in line with its NPT obligations. Nor was it about the Agency transferring responsibility to the Security Council. Rather it was about the credibility of the NPT, the strengthening of the international non-proliferation regime and the authority of the Agency and its decisions. It was not about abandoning diplomatic efforts, but solving a problem within the multilateral system and by peaceful means. The diplomatic endeavours had now entered a new stage; the time had come for the Security Council to become involved in order to reinforce the authority of the Agency's resolutions. Now was not the time for Iranian threats unilaterally to end cooperation with the Agency. Nor was it the time for Iran to further undermine confidence in its intentions. What was needed now was for Iran to address the existing international concerns and respect the Board's decisions.

35. France, Germany and the United Kingdom hoped that the draft resolution, contained in document GOV/2006/12, which they had tabled on the basis of the Board's continuing resolve to work for a diplomatic solution to the Iranian nuclear problem, would commend itself to Governors. The ball

was again in Iran's court. He called on Iran to heed the Board's calls and create the conditions required for a resumption of negotiations.

36. Mr. BERDENNIKOV (Russian Federation) said that although some progress had been achieved in seeking answers to the questions that had arisen about Iran's past nuclear activity, it was not enough for the Secretariat to reach an unambiguous conclusion on the Iranian nuclear programme. The update by the Deputy Director General for Safeguards showed that, in some cases, Iran was still failing to display the transparency expected of it. Furthermore, Iran had unfortunately not heeded the Board's requests to suspend some of its nuclear activities. That would have contributed substantially not only to restoring confidence in Iran's efforts in the nuclear field but also to the Agency's work to clarify all aspects of Iran's nuclear programme. Uranium conversion had been resumed, albeit under the Agency's control, and now Iran was planning to begin uranium enrichment R&D activities.

37. Russia had always emphasized that its absolute priority in considering the Iranian nuclear problem was to ensure the inviolability of the nuclear non-proliferation regime. In that regard, all members of the international community should act with the utmost circumspection and avoid steps that could create additional problems. At the same time, Russia recognized the inalienable right of all Parties to the NPT to develop research, production and use of nuclear energy for peaceful purposes without discrimination in conformity with Articles I and II of the Treaty. The Agency should intensify its efforts in Iran aimed at resolving the questions that had arisen regarding Iran's nuclear activity.

38. It was important for the Board to reaffirm its call to Iran to resume a moratorium on all enrichment-related activities, to ratify its additional protocol and continue to implement it until that time, to reconsider its decision to construct a heavy water reactor, and to cooperate in a fully transparent manner with the Agency. Russia was not against a report to the Security Council about the work that the Agency had carried out with regard to Iran and the steps required by Iran to rectify the situation. The Board was not yet asking the Security Council to take any action and was assuming that work on the Iranian issue would continue within the framework of the Agency. He reiterated Russia's deep concern at Iran's decision to resume uranium enrichment R&D which, in its view, seriously exacerbated the situation. The Board would be sending Iran a serious signal about the need to take urgent measures to dispel the tensions surrounding its nuclear programme.

39. Underlining that Russia was ready to cooperate constructively with all interested parties to resolve the matter, he drew attention to the initiative put forward by President Putin at the meeting of the Eurasian Economic Community in St. Petersburg on 25 January 2006, namely to create a network of international centres to provide nuclear fuel cycle services, including uranium enrichment, under Agency control and on the basis of non-discriminatory access. One way of implementing that initiative would be to act on Russia's earlier proposal to Iran and set up a joint Russian-Iranian enterprise for uranium enrichment on Russian territory. That would ensure that Iran's legitimate nuclear energy requirements were met for years to come whilst maintaining the moratorium on all enrichment-related activities.

40. Russia hoped that the Board would take a constructive decision at its current session thereby facilitating progress in resolving the Iranian nuclear problem through negotiations. His delegation looked forward to the Director General's report on that progress at the March Board.

41. Ms. GERVAIS-VIDRICAIRE (Canada) said that the situation concerning the Iranian nuclear programme had reached a critical juncture. The draft resolution contained in document GOV/2006/12 included a provision to report the issue to the Security Council. It also clearly outlined the steps that Iran must take to restore international confidence in its nuclear programme, a process that the draft resolution noted would require an extensive period of time.

42. The update by the Deputy Director General for Safeguards underlined the fact that many significant questions about the scope and nature of Iran's nuclear programme remained unresolved. Questions about the document that described the casting and machining of uranium metal into hemispherical forms, about the histories of the P-1 and P-2 centrifuge programmes, tests of high explosives and enquiries the Agency had made regarding Iran's modifications to its intermediate-range ballistic missiles continued to raise serious doubts about the peaceful nature of Iran's nuclear programme.

43. At its current meeting, the Board should focus not on the aforementioned issues, rather on the much more fundamental issue of the credibility deficit that Iran had created for itself and the lack of confidence in the scope and nature of its nuclear programme that that deficit had produced. The Agency had been investigating Iran's nuclear programme for nearly three years, during which time it had uncovered numerous undeclared nuclear sites and activities. Iran's past failures to declare fully its nuclear facilities had been termed a policy of concealment by the Director General. The Board had recognized those failures but had not reported Iran to the Security Council, as required by the Agency's Statute. Instead, it had offered Iran an opportunity to rebuild its credibility through negotiations with France, Germany and the United Kingdom and through full and transparent cooperation with the Agency. Those negotiations had been premised on a set of confidence-building measures, one of which was the full suspension of all enrichment-related activities, including conversion and R&D.

44. On 10 January 2006 Iran had made a choice when, with discussions with the three European countries scheduled to resume only eight days later, it had unilaterally decided to resume enrichment-related R&D and had broken the seals on equipment and materials at three sites associated with its centrifuge enrichment programme. Through its own decisions and actions, Iran had driven the discussions with France, Germany and the United Kingdom into an impasse. That had been only the last in a series of steps by which Iran had progressively eroded its commitments.

45. In breaking its voluntary suspension on enrichment-related activities, Iran had made recourse to the argument that, according to Article IV of the NPT, it had the right to the peaceful use of nuclear energy. Nobody had denied Iran that right; the negotiated suspension had in no way inhibited Iran's ability to have a civil nuclear programme. However, the rights laid down in Article IV must be seen in the context of obligations. In view of the confidence deficit created by Iran through its many past failures to meet its safeguards obligations as embodied in Article III of the NPT, Canada urged Iran to heed the Board's repeated calls and desist from the most sensitive parts of the fuel cycle until the trust of the Board, and the world, was fully regained.

46. Now that the talks between the three European countries and Iran were at an impasse — an impasse of Iran's own making — the Board must again consider how to address the collective lack of confidence about Iran's nuclear programme. France, Germany and the United Kingdom, together with China, Russia and the United States of America, had agreed on a draft resolution requesting the Director General to report to the Security Council. Canada fully backed such a report. It was time for the Security Council to be brought to bear on the issue. Over the preceding years, Iran had played a game of incremental brinkmanship and had continually pushed ahead with its nuclear programme. A report to the Security Council should not end efforts to resolve the Iran nuclear issue diplomatically, nor should it take the issue away from the Agency. The Agency would continue to play a fundamental role in providing clarity with regard to all outstanding issues. A report to the Security Council would, however, ensure that the forum responsible for international peace and security put its weight behind the Board's resolutions and the Director General's requests in support of a comprehensive and durable diplomatic solution. While Iran's credibility ultimately had to be rebuilt through its interaction with the Agency, the rebuilding process would need to go above and beyond Iran's comprehensive safeguards agreement and additional protocol, which had yet to be ratified. That process would need to

include, among other things, the cooperation and transparency measures requested by the Director General in his report of 2 September 2005, contained in document GOV/2005/67. Since Iran had been given every opportunity to take those measures on a voluntary basis, and since at every opportunity it had decided not to, the Board was left with little choice but to report the matter to the Security Council.

47. Mr. WU Hailong (China) said his country had been following closely developments in the Iranian nuclear issue and was deeply concerned about Iran's recent resumption of research on nuclear fuels. His delegation noted that Iran was continuing to assist the Agency in its inspection activities and to provide the relevant information according to its safeguards agreement and additional protocol. China encouraged Iran to continue to cooperate fully with the Agency so as to strengthen the international community's confidence about the peaceful nature of its nuclear activities.

48. China supported the international non-proliferation regime and was opposed to the proliferation of nuclear weapons in all forms. While the rights of the Parties to the NPT to enjoy peaceful nuclear energy should be respected, the Treaty obligations should also be honoured. The Iranian nuclear issue needed to be resolved sooner rather than later through negotiations and diplomatic means. The parties concerned should not abandon their efforts even though the process aimed at resolving the Iranian issue through negotiation had been encountering difficulties. Those efforts should continue as long as there was a glimmer of hope, not only for the benefit of all parties but also for peace and stability in the region and the world as a whole.

49. China believed there was still room to resolve the Iranian nuclear issue within the framework of the Agency and hoped that the Board's current deliberations would facilitate a thorough exchange of views between the parties concerned, helping to clarify the issues and enhancing the search for consensus. It was important to bring the issue back onto the track of dialogue and negotiations.

50. China hoped that Iran would resume the suspension of its research on nuclear fuel and other relevant activities and also that it would resume promptly its negotiations with the three European countries. China urged the other parties concerned to remain calm and to exercise restraint, patience and flexibility. That would avoid exacerbating the situation and help to create the necessary atmosphere and conditions for a resumption of negotiations between the three European countries and Iran.

51. For its part, China was prepared to do all it could to encourage all parties to make joint efforts to achieve early resolution of the Iranian nuclear issue.

52. Mr. SCHULTE (United States of America) said that, at their recent meeting in London, the Foreign Ministers of the United States, France, Germany, the United Kingdom, China and Russia and the High Representative of the European Union had issued an important statement noting their serious concerns about Iran's nuclear programme and calling on Iran to restore confidence. The Ministers had reaffirmed that it was time for the Agency to report Iran to the Security Council. They had not reached that decision in haste, but after a careful review of Iran's troubling history in pursuing its nuclear ambitions. He reiterated Secretary of State Rice's statement at that meeting to the effect that the international community had come together to say to the Iranians that they needed to find a way to have peaceful nuclear energy, if that was what they desired, but in a way that removed the proliferation risk associated with the current Iranian course.

53. In November 2003, the Director General had first reported to the Board that Iran had failed in a number of instances over an extended period of time to meet its obligations under its safeguards agreement. The Director General had described the undeclared uranium enrichment, conversion and plutonium separation work that Iran had hidden from the Agency. The Board had strongly deplored Iran's failures and breaches of its obligation to comply with its safeguards agreement. From that

moment on, in the United States view, the Board had had a clear obligation under Article XII.C of the Statute to report that non-compliance to all Agency members, the Security Council and the General Assembly.

54. However, the members of the Board had agreed then that such a report would await the outcome of the diplomatic efforts of France, Germany and the United Kingdom, which had begun in October 2003, aimed at securing Iran's full cooperation with the Agency in order to restore the international community's full confidence in the peaceful nature of its nuclear programme. Subsequently, the Director General had issued seven further written reports and three oral reports, all of which confirmed that Iran was not providing the full cooperation the Agency needed and was not taking the confidence-building steps the international community desired. In fact it was doing the opposite, as the Deputy Director General for Safeguards had just reported. His delegation requested that the update brief be made publicly available.

55. When Iran had rejected the European proposals and unilaterally broken the terms of the November 2004 Paris agreement, the Board of Governors had taken action and, in September 2005, had unequivocally found that Iran's many breaches and failures of its safeguards obligations had constituted non-compliance pursuant to Article XII.C. The Board had also found that Iran's history of concealment of sensitive nuclear activities and the still unresolved questions about its programme had raised issues that were within the competence of the Security Council pursuant to Article III.B.4 of the Statute.

56. Even then, the Board had given Iran more time to take action to restore confidence in the peaceful nature of its nuclear programme. Now, however, the Iranian leadership had demonstrated that it was determined to move forward with its uranium enrichment and heavy water reactor programmes, which would give it the capacity to produce material for a nuclear weapon.

57. The Board of Governors had adopted eight resolutions on Iran since 2003, all of which Iran had ignored or defied. It was time to send a clear and unequivocal message to the Iranian regime about the international community's concerns by reporting the issue to the Security Council. He urged the members of the Board to adopt the resolution tabled by France, Germany and the United Kingdom. The time had come to fulfil the Board's obligation under Article XII.C and report its finding of Iran's non-compliance given in the resolution adopted on 24 September 2005 (document GOV/2005/77).

58. His Government continued to support all efforts to seek a peaceful, diplomatic solution. Reporting the Iran issue to the Security Council would serve to increase the diplomatic tools available to the international community. He stated clearly that the United States was not seeking sanctions or other punitive measures on Iran nor did it seek to harm the Iranian people or deprive Iran of its rights to nuclear energy for peaceful purposes. Nor was the United States seeking to remove the issue from the Board's active consideration. Instead, it was seeking support for the ongoing efforts of the Agency in the form of the weight of the Security Council's authority. The United States was seeking a carefully calibrated approach whereby the Security Council applied escalating measures on Iran in the hope that such an approach might persuade the Iranian leadership to change course.

59. As a first step when the Security Council began to consider the issue in March, the United States expected it to reinforce the decisions of the Board and to strengthen the Agency's continuing role by calling on Iran to cooperate with the Agency, to comply fully and promptly with all Agency Board resolutions and to provide the Agency with the transparency measures it had repeatedly requested.

60. In conclusion, the United States urged Iran's regime to pay heed and allow a peaceful, diplomatic resolution to the issue that would build the international community's confidence, benefit the Iranian people and enhance international peace and security.

61. Ms. HUSSAIN (Malaysia)*, speaking on behalf of NAM, stated that it was the Movement's understanding that the aim of the current Board meeting was not to consider or assess the overall implementation of the NPT safeguards agreement in Iran, which was to be considered at the regular session of the Board beginning on 6 March 2006. Nor was it to consider the timing and content of a report by the Director General in accordance with operative paragraph 3 of the Board's resolution of 24 September 2005, contained in document GOV/2005/77. That would be premature as the Director General was still investigating outstanding issues in preparation for the Board's March meeting.

62. Reaffirming NAM's basic position, she underlined the basic and inalienable right of all Member States, as stipulated in the Statute, to develop research, production and use of atomic energy for peaceful purposes without discrimination and in conformity with their respective legal obligations. Nothing should be interpreted in a way that would inhibit or restrict that right. NAM also reaffirmed the need to respect Member States' choices and decisions in the field of the peaceful uses of nuclear technology and regarding their fuel cycle policies.

63. Non-proliferation and the peaceful uses of nuclear technology must be addressed in a balanced and non-discriminatory manner. It was NAM's strong conviction that the total elimination of nuclear weapons was the only absolute guarantee against the use or threat of use of nuclear weapons. Non-nuclear-weapon States should be effectively assured by nuclear-weapon States against the use or threat of use of nuclear weapons. Pending the total elimination of nuclear weapons, efforts towards the conclusion of a universal, unconditional and legally binding instrument on security assurances to non-nuclear-weapon States should be pursued as a matter of priority. She reiterated NAM's deep concern over the slow pace of progress towards nuclear disarmament, which remained its highest priority. The international community's efforts directed at non-proliferation should be paralleled by simultaneous efforts aimed at nuclear disarmament.

64. It was essential to make a clear distinction between the legal obligations of Member States under their respective safeguards agreements and their voluntary commitments. Moreover, their voluntary commitments not be turned into legal safeguards obligations. Member States should not be penalized for not adhering to their voluntary commitments.

65. NAM recognized the Agency as the sole competent authority for verification and had full confidence in its professionalism and impartiality under Dr. ElBaradei's leadership. All Member States should avoid any undue pressure or interference in the Agency's activities, especially its verification process, which would jeopardize its efficiency and credibility. All issues relating to safeguards and verification, including those of Iran, should be resolved within the framework of the Agency and should be based on technical grounds.

66. The Agency's investigation of outstanding issues relevant to the implementation of Iran's NPT safeguards agreement was being pursued with a view to the submission of a detailed report to the March Board and due process needed to take its course before the Agency was able to submit that report.

67. NAM had previously welcomed the fact that all the declared material in Iran had been accounted for by the Agency and that no such material had been diverted to prohibited activities. It was crucial that the Agency's ongoing work on verifying Iran's peaceful nuclear programme, as per its declarations, was concluded. NAM appreciated and encouraged Iran's ongoing proactive cooperation in that respect. NAM welcomed the substantive progress made in resolving outstanding issues and was optimistic that they would all be resolved soon. The current special session of the Board should contribute towards arriving at a fair and just solution consistent with Iran's legal rights and obligations.

68. NAM noted with appreciation that during the preceding two and a half years Iran had sustained a voluntary but non-legally binding suspension of its enrichment-related activities in order to promote

confidence in its peaceful nuclear programme. With regard to Iran's recent decision to restart some of those activities, NAM was pleased to see that, at Iran's request, the Agency had made timely and necessary preparations to ensure that those activities remained under full-scope Agency safeguards. Rightful nuclear activities under Agency safeguards could not constitute any concern.

69. Further, NAM welcomed the cooperation extended by Iran to the Agency over and above its legal obligations, particularly such confidence-building measures voluntarily taken by Iran as the provision of access to military sites and the provisional implementation of the additional protocol. They clearly demonstrated openness and transparency. Any voluntary suspension should end once the appropriate requirements had been met.

70. Any request for additional legal authority for the Agency had to be negotiated by the Member States. In that context, NAM reiterated the importance of the promotion and strengthening of the multilateral process.

71. Diplomacy and dialogue through peaceful means must continue in order to find a long-term solution to the Iran problem. All the parties concerned should exercise patience and restraint and not resort to any action that might escalate tensions and lead to unnecessary confrontation. The only way to resolve the issue was through negotiations and cooperation. Having taken note of the letter from the Iranian side dated 7 January 2006 to the three European countries expressing its desire to continue negotiations, NAM had encouraged the resumption of negotiations towards finding an amicable solution and welcomed their meeting in Brussels on 30 January 2006.

72. The Foreign Ministers of the NAM troika, namely Malaysia, Cuba and South Africa, had met with their Iranian counterpart in Hermanus, South Africa on 27 January 2006. After the meeting, the Ministers of the NAM troika had reiterated their continuing support for the Agency's ongoing work in clarifying issues relating to Iran's nuclear programme. They had underscored the importance of the ongoing cooperation between Iran and the Agency to that end and urged all the parties concerned to exhaust all efforts, through dialogue and negotiations, to resolve those issues as soon as possible and in an amicable manner. They welcomed Iran's intention to continue negotiations with the three European countries, as well as with the Russian Federation with respect to the latter's proposal on uranium enrichment, and hoped that those negotiations would contribute to achieving a satisfactory solution. She expressed NAM's appreciation of all initiatives by other Member States aimed at encouraging an environment of cooperation and facilitating the speedy conclusion of the issue in the Agency.

73. Finally, NAM urged that a balanced and even-handed approach be taken on the Iranian nuclear issue to avoid any perception of selectivity or bias. Reiterating NAM's support for the establishment in the Middle East of a zone free of all weapons of mass destruction, she said the Movement attached great importance to the implementation of the various resolutions and decisions taken by relevant international forums on the establishment of a nuclear-weapon-free zone in the Middle East.

74. Mr. STELZER (Austria)* spoke on behalf of the EU and also the acceding countries Bulgaria and Romania, the candidate countries Turkey, Croatia² and the Former Yugoslav Republic of Macedonia², the countries of the Stabilisation and Association Process and potential candidates Albania, Serbia and Montenegro, the EFTA countries Iceland and Liechtenstein, members of the European Economic Area, as well as Ukraine. He inferred from the update brief by the Deputy Director General for Safeguards that there had been little progress since the Director General had reported in November 2005. Far from heeding the international community's calls to cooperate with

² Croatia and the Former Yugoslav Republic of Macedonia continued to be part of the Stabilisation and Association Process.

the Agency, Iran continued to deny the Agency access to individuals, key questions were still unanswered and major gaps remained in the history of Iran's nuclear programme. The EU was particularly concerned that Iran had declined the Agency's request to provide it with a copy of the document relating to the fabrication of nuclear weapons components.

75. The EU also deeply regretted that, despite repeated calls from the Board to maintain the suspension of all enrichment-related and reprocessing activities which the Board had declared essential to addressing outstanding issues, Iran had resumed uranium conversion activities at its Esfahan facility on 8 August 2005 and had taken steps to resume enrichment activities on 10 January 2006.

76. On 30 January 2006, the EU Foreign Ministers had agreed on a number of conclusions on Iran: Firstly, the EU was gravely concerned at the removal of seals at several nuclear installations, including Natanz, and at Iran's decision to resume enrichment-related activities. It called on Iran to reinstate the seals and re-establish full, sustained and verifiable suspension of all enrichment-related and reprocessing activities as had been called for repeatedly in Board resolutions as an essential confidence-building measure. The EU emphasized the need for Iran to refrain from all such activities until international confidence was restored.

77. Secondly, the dispute was not between Iran and Europe, but between Iran and the international community. The EU did not question Iran's right to use nuclear energy for peaceful purposes in conformity with its obligations under the NPT, a right which it had consistently reaffirmed. The dispute was about Iran's failure to build the necessary confidence as to the exclusively peaceful nature of its programme. That confidence had further eroded as a result of the unilateral steps Iran had taken contrary to its commitments. The Council of the European Union had noted with concern that the Director General had reported that the Agency was not yet in a position to clarify some important issues after two and a half years of intensive inspections and investigation and that Iran's full transparency was indispensable and overdue.

78. Thirdly, in the light of recent Iranian actions, which ran counter to Agency resolutions and were a rejection of the efforts to explore whether a basis could be agreed for resuming negotiations, the EU Member States had concluded that they would work in close coordination to prepare for the forthcoming extraordinary meeting of the Agency Board with a view to involving the Security Council so as to reinforce the Agency's authority in line with the EU conclusions. That step was necessary, appropriate and fully in line with the Board's resolution of September 2005, which had found Iran in non-compliance with its safeguards agreement and that Iran's history of concealment of its nuclear activities and the nature of those activities had given rise to questions within the competence of the Security Council.

79. Fourthly, the EU had reiterated its belief that the issue could still be solved by negotiations. However, that would require a cooperative and transparent approach on the part of the Iranian Government with the Agency and the return to full suspension. The EU remained committed to a diplomatic solution to the Iranian nuclear issue in which the Agency should play a central role. Involvement of the Security Council did not end the Agency's responsibilities; on the contrary, it strengthened them.

80. Fifthly, the EU would remain fully engaged in the issue. Its Member States would not only coordinate their action closely in the framework of the Agency in Vienna and the United Nations in New York but also coordinate with international partners.

81. Finally, the Council of the European Union had recalled in that context its support for the establishment of a zone free of weapons of mass destruction in the Middle East, including their means of delivery. The Council had also recalled that in its conclusions of 7 November 2005 it had repeated

that the evolution of its long-term relationship with Iran would depend on action by Iran to address effectively all of the EU's areas of concern. The Council regarded Iran's resumption of enrichment-related activities as a negative development that would impact on the overall relationship, which it would review in the light of actions taken by Iran. The Council had reiterated that it was up to Iran to determine, through its own actions, whether its long-term relationship with the EU would improve or deteriorate.

82. At the ministerial meeting which had taken place on 30 January 2006 in London to discuss the way forward regarding the Iranian nuclear programme, the Ministers had agreed on a statement in which they had: underlined their commitment to the NPT and their determination to prevent the proliferation of nuclear weapons; shared serious concerns about Iran's nuclear programme and agreed that an extensive period of confidence-building was required from Iran; called on Iran to restore in full the suspension of enrichment-related activity, including R&D, under Agency supervision; agreed to propose that the current extraordinary Agency Board meeting should report to the Security Council its decision on the steps required from Iran and should also report all Agency reports and resolutions, as adopted, relating to the issue; agreed to propose that the Security Council await the Director General's report to the March Board meeting, which would include a report on the implementation of the February Board's resolution, and any resolution from the March meeting, before deciding to take action to reinforce the authority of the Agency process; and, confirmed their resolve to continue to work for a diplomatic solution to the Iran problem.

83. The EU fully supported the draft resolution on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran, contained in document GOV/2006/12, submitted by France, Germany and the United Kingdom.

84. Mr. AAS (Norway) commended the Director General and his staff for their endeavours to resolve the Iranian issue. More time was needed to attain full clarity regarding Iran's nuclear programme, and efforts to solve the issue by diplomatic and political means needed to be intensified. Norway commended the three European countries and the Russian Federation for their constructive efforts in that regard.

85. The Agency was not yet in a position to clarify important outstanding questions related to Iran's nuclear activities, and Iran had clearly not demonstrated the required transparency. Moreover, recent developments had eroded the international community's confidence even further. Norway had immediately expressed its concern when the Iranian authorities had started breaking Agency seals at nuclear installations. Those unilateral actions ran counter to the Board's resolutions over the preceding two years calling on Iran to suspend all enrichment-related and reprocessing activities and did not contribute to restoring confidence in Iran's nuclear programme.

86. Norway acknowledged Iran's right to use nuclear energy for peaceful purposes in accordance with Article IV of the NPT. That right was of crucial importance and had to be applied to all States Party without discrimination and in conformity with Articles I and II of the Treaty.

87. His country had welcomed initiatives like the Russian proposal to facilitate supplies of nuclear fuel. It urged Iran to pursue consultations to develop an arrangement that would satisfy the international community's proliferation concerns and Iran's need for reliable nuclear fuel supplies.

88. Norway favoured a political and diplomatic solution in which the Agency played a key role. To that end, the Agency's authority needed to be further strengthened. Accordingly, Norway would support a decision to report to the Security Council the Board's decisions regarding the steps Iran was required to take. That would send a clear and constructive message yet at the same time leave the door open for a political solution. He emphasized that informing the Security Council did not mean it was

being requested it to take any action. The matter remained in Vienna and a new basis for a diplomatic solution should be found within the framework of the Agency.

89. He appealed to Iran to use the time until the March Board actively and wisely. It was an opportunity for Iran to demonstrate its willingness to offer full and constructive cooperation. Only through full suspension of enrichment activities, including R&D, and full and proactive transparency over its nuclear programme would Iran be able to demonstrate its readiness to cooperate with the international community and allay its justified concerns. Norway urged Iran to consider favourably all proposals, such as the EU and the Russian initiatives. Also, ratification of the additional protocol would be a most welcome step.

90. For its part, Norway would continue its own bilateral dialogue with Iran, including on broader regional security issues. Norway supported the establishment of a zone free of weapons of mass destruction and their means of delivery in the Middle East and would continue to support General Assembly resolutions calling for the establishment of such a zone and dealing with the risk of nuclear proliferation in the Middle East.

91. In conclusion, he said that there was still an opportunity for reaching a negotiated solution and it should be seized.

92. Ms. STOKES (Australia) joined the previous speaker in thanking the Secretariat for its professional efforts to implement safeguards in Iran.

93. Despite having been provided with many opportunities, Iran had not taken all the steps needed to address outstanding verification issues and to build international confidence in the exclusively peaceful nature of its nuclear programme. In that context, her delegation recalled that the Board resolution adopted on 24 September 2005 had urged Iran to implement transparency measures, re-establish the full and sustained suspension of all enrichment-related and reprocessing activity, reconsider the construction of its heavy water research reactor and promptly to ratify and implement in full its additional protocol. It deeply regretted that Iran had failed to implement those measures. Australia was greatly concerned that Iran had removed Agency seals from enrichment-related materials and equipment and had commenced work towards uranium enrichment. Iran's maintenance of the suspension was a vital element in the international effort to reach a resolution to the issue.

94. Nearly three years after Iran's long-running clandestine nuclear programme had been revealed to the world, Iran had yet to explain adequately to the Agency the nature, scope and history of its activities. There continued to be significant open questions, including those arising from Iran's procurement transactions with the clandestine procurement network.

95. The update brief by the Deputy Director General for Safeguards had informed the Board for the first time of possible undeclared work by Iran known as the Green Salt Project, involving the conversion of uranium dioxide into UF₄. The Agency had asked Iran about that project and about tests related to high explosives and the design of a missile re-entry vehicle, all of which could have a military nuclear dimension and which appeared to have had administrative interconnections. That information, as well as Iran's possession of a document related to the fabrication of nuclear weapons components and the fact that Iran had declined to provide the Agency with a copy of that document, was troubling. Iran's responses to the Agency's questions were unsatisfactory. The update brief confirmed that the Agency was far from resolving outstanding issues and that Iran's cooperation continued to be inadequate.

96. Recalling the Board's 24 September 2005 resolution, which had found Iran to be in non-compliance in the context of Article XII.C. of the Statute, when the Board had decided to address at a later stage the timing and content of the report required under the Statute, Australia considered

that the time had now come to report the matter to the Security Council. That would not mean an end to diplomacy. The Statute recognized, however, that the Security Council had a role to play in reinforcing the Agency and its Board of Governors.

97. Australia was not opposed to Iran's pursuit of peaceful nuclear energy and it wanted to develop its relations with Iran. Her country had welcomed the contributions by France, Germany and the United Kingdom, the EU and the Russian Federation to find a way forward on the Iranian issue, whereby Iran could develop a civil nuclear power programme and at the same time restore trust and confidence.

98. In Australia's view, Iran could resolve the situation by complying with the Board's resolutions, cooperating fully and immediately with the Agency, taking up generous offers to support an exclusively peaceful Iranian nuclear industry and establishing international confidence by setting aside its sensitive fuel cycle ambitions.

99. Mr. GAFOOR (Singapore) noted that while the update brief by the Deputy Director General for Safeguards had highlighted some positive aspects regarding Iran's cooperation with the Agency it had also raised some additional concerns and questions.

100. Singapore was disappointed with Iran's decision to resume nuclear R&D activities on 10 January 2006. The full and sustained voluntary suspension of all enrichment-related and reprocessing activities had been the central component of Iran's reassurances to the international community that its nuclear programme was purely for peaceful purposes. Unfortunately, Iran's decision to resume its R&D activities did not help to build international confidence in its nuclear programme.

101. The Board had repeatedly urged Iran to implement previous Board resolutions in full and to re-establish full and sustained suspension of all enrichment-related and reprocessing activities. Sadly, not all the previous Board resolutions had been implemented. It was therefore clear that the Board had reached a critical juncture in its deliberations.

102. The Board had a fundamental responsibility to preserve the credibility of the Agency and the integrity of the NPT. It had to demonstrate its seriousness and commitment to the full implementation of previous Board resolutions. It could not shirk that responsibility. The Board must also encourage and facilitate the continuation of dialogue and cooperation between the key parties.

103. Mr. SUMI (Japan) said that, considering Iran's many failures and breaches of its NPT obligations over an extended period of time despite the many corrective measures it had taken, Iran must cooperate fully with the Agency with a view to the earliest possible resolution of the outstanding issues. The measures it took should include the provision of adequate and complete information and all necessary access requested by the Agency. Japan appreciated the cooperation that other States had extended to the Agency and expected their further cooperation.

104. He underlined the importance of Iran responding in good faith to all the requests made by the Board in its resolutions, including its request for the suspension of enrichment-related and reprocessing activities, as well as uranium conversion activities, and ratification of the additional protocol. That would help to remove the serious concerns of the international community. In that connection, it was a matter of deep regret for Japan that Iran had removed seals installed at the uranium enrichment-related facilities in Natanz.

105. Japan continued to believe that the issue should be resolved through diplomacy and it supported the position of France, Germany and the United Kingdom. Japan appreciated their diplomatic efforts in negotiations with Iran and also the efforts behind formulation of the joint statement by the Foreign Ministers of France, Germany, the United Kingdom, China, Russia and the United States of America.

106. Japan called on Iran immediately to suspend all enrichment-related and reprocessing activities, including R&D. Japan, which had not missed any opportunity to make diplomatic efforts, considered it essential that the international community join together to resolve the issue. It was Japan's sincere hope that, with further efforts by Iran, an early resolution could be found.

107. Mr. CARRERA DORAL (Cuba) said that developing countries had a recognized right to produce nuclear energy for peaceful purposes under the appropriate safeguards and to carry out all nuclear fuel cycle activities. The NPT was already deeply discriminatory and served to protect the interests of the 'nuclear club'. It was unacceptable that, through arbitrary interpretation of the text not in keeping with the letter and spirit of the Treaty, new elements were being added that discriminated against the developing countries. The Board of Governors must oppose resolutely any attempt by some nuclear powers to limit, for political motivations, the right of the non-nuclear-weapon States to carry out nuclear fuel cycle activities.

108. The nuclear powers that had instigated the current debate were the very same countries that dedicated huge resources daily to improving their large arsenals of nuclear missiles and warheads and making them more deadly, that were flagrantly renegeing on their nuclear disarmament obligations and that had recently caused the failure of the NPT Review Conference.

109. The Government of the United States of America had proclaimed and exercised its self-styled right to start preventive and unilateral wars. Its new nuclear doctrine provided for the use of nuclear weapons against non-nuclear-weapon States or supposed and undefined enemies.

110. The Board did not yet have before it a report on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran. That would be made available at the March Board. The current meeting had been convened, like the Board meetings in August 2005, at the request of a group of Member States to analyse alleged failures by Iran to comply with its safeguards agreement. As on that occasion, the meeting had been preceded by a brutal campaign to manipulate public opinion by the transnational media, which served the interests of the very same governments that had instigated consideration of the issue. The matter under discussion was not alleged breaches, which no delegation had been able to substantiate. It was the Iranian Government's sovereign decision to continue its programme to develop nuclear energy for peaceful purposes and to resume the activities that it had voluntarily decided to suspend in 2003 as a confidence-building measure to facilitate the negotiation process which was then under way. Iran had every right to resume its nuclear activities for peaceful purposes, which the Iranian Government had declared would be under strict Agency safeguards.

111. It was being said, on the basis of a selective and tendentious textual interpretation, that under no circumstances should Iran be permitted to undertake nuclear fuel cycle activities, including uranium enrichment even if only for reasons of R&D, because of suspicions that those activities were being pursued for non-peaceful purposes. What was not being said, however, was that for purely political reasons the main suppliers of nuclear technology, the very same countries that had now become fervent accusers, had denied Iran access to that technology, in violation of the NPT.

112. The Agency could not act on the basis of suspicions, but only on concrete and objective facts. In the many reports on the subject provided by the Secretariat, which was the only entity qualified and authorized to do so, there was no evidence or assertion that Iran's nuclear programme was of a non-peaceful nature. Certain facts noted by the Director General in his reports had been deliberately disregarded. They included: the substantial progress made in clarifying the nature of Iran's nuclear programme and the significant decrease in outstanding issues; Iran's increasing cooperation with the Agency; and, Iran's compliance with its obligations under its safeguards agreement, the verification of all declared materials and the confirmation that those were not being diverted to illicit activities. Iran could not be forbidden from undertaking activities of a peaceful nature because of an alleged risk that

they might be used for other purposes, when those activities were subject to strict Agency safeguards. Agency safeguards were the internationally recognized system for preventing the diversion of peaceful nuclear activities to military purposes. The acceptance of such treatment would not only set a very negative precedent in terms of international law, but also condemn countries to unacceptable subordination to the monopoly of the nuclear fuel-producing powers. The attempt to submit Iran's peaceful nuclear programme to the consideration of the Security Council was baseless and the shameful application of a double standard.

113. For those reasons and in line with the principles it had always upheld, Cuba strongly opposed any attempt use Iran's sovereign decision as another pretext to condemn that country and to refer the matter in any form whatsoever to the Security Council. If that happened, it would be impossible to prevent the United States and its allies from manipulating the facts in order to force the Security Council to adopt decisions that would jeopardize peace.

114. The Western powers had closed their eyes to Israel's nuclear programme, the military and offensive nature of which had been widely reported. With impunity, Israel had ignored numerous calls from the international community to place its nuclear programme under Agency safeguards. But that had not given rise to any discussions or negotiations, nor was any pressure being applied to Israel. Why? Because Israel was the United States main ally in the Middle East and enjoyed the sacrosanct protection of the world's mightiest military power and the complicit silence of its allies. That was a case of what had rightly been called 'nuclear hypocrisy'.

115. The United States had declared that military action against Iran was not out of the question. Several weeks previously, President Castro had publicly denounced that and had warned of the dangers of not taking early action against the threat of aggression. The Board had a duty to anticipate the consequences of all of its actions in relation to the matter. Any failure in the use of its powers or in complying with its obligations would carry a heavy burden of responsibility.

116. According to conservative estimates, more than a hundred thousand Iraqis and two thousand young North Americans had died in the war in Iraq. Fallujah and other cities had been devastated. The country has been destroyed and several generations had suffered irreversible trauma. Everyone knew that the President of the United States had lied deliberately about the alleged existence of weapons of mass destruction in Iraq. On that pretext, numerous debates had been forced onto the Agency's agenda, only for the Agency's well-founded and objective opinion to subsequently be ignored. The matter had been referred to the Security Council but the Agency's opposition to aggression had been declared irrelevant. Surely some people were now suffering pangs of conscience for having kept silent, for having allowed themselves to be manipulated or for having been naive about the consequences of their actions. That was why, while there was still time, Cuba was warning of the serious danger of the United States starting a war with Iran and was calling on the Agency, the United Nations, the international community and world opinion to act to prevent it and preserve peace.

117. Cuba was speaking from a position of some moral authority since it did not possess weapons of mass destruction and had declared that it had no intention of developing them. It had always been opposed to war, had courageously faced a genocidal blockade for more than four decades and would not be intimidated by new and repeated threats of aggression.

118. Mr. MÁRQUEZ MARÍN (Bolivarian Republic of Venezuela) expressed surprise that an extraordinary meeting of the Board of Governors had been convened to reconsider Iran's nuclear programme again, even though it was on the Board's March agenda and the Director General had not yet completed his report on the subject. Thus, any decision taken by the Board would have no technical basis and the proposal to refer the matter to the Security Council would be, at the very least, untimely as it would not have been dealt with exhaustively within the Agency, the executive body for

the application of NPT safeguards. Those requesting the meeting were disregarding the role that the Agency had been playing in clarifying Iran's nuclear programme over the preceding two and a half years, and Iran's voluntary decision to act as if its additional protocol were in force.

119. Venezuela appreciated the update given by the Deputy Director General for Safeguards, which made it clear that the Agency had not stopped verifying and monitoring Iran's nuclear programme, including inspections of military sites, on the basis of the voluntary commitments undertaken by that country. It remained, however, only a status report pending the Director General's report to the March Board.

120. The international community, concerned about the turn that events could take if another situation of confrontation arose similar to the one that triggered the invasion of Iraq, was asking itself what the real reasons were behind the convening of the meeting when the regular meeting of the Board was less than a month away. While his delegation hoped it was not the case, everything seemed to point to political and economic motivations aimed at domination of the nuclear fuel cycle for peaceful purposes, using the argument of avoiding the risk of its possible diversion for military purposes.

121. Venezuela reiterated its commitment to peace, non-proliferation and global nuclear disarmament, to the effective and non-discriminatory implementation of the NPT, to the early entry into force of the Comprehensive Nuclear-Test-Ban Treaty and to strengthening of the Agency as an efficient instrument for ensuring the application of the safeguards regime. Venezuela also reaffirmed the inalienable and sovereign right of all countries to use and develop nuclear technology and energy for peaceful purposes in order to achieve sustainable economic and social development, without limitations other than those imposed by international treaties and standards, and the peaceful coexistence of nations. It was those considerations, as well as the provisions of the Statute, the Provisional Rules of Procedure of the Board of Governors, the NPT and safeguards agreements pursuant to that Treaty, that should govern any action taken by the Agency in fulfilment of its mission. Other motivations impinging on the legality and fair treatment of the case of Iran's nuclear programme ought to be set aside.

122. In particular, Venezuela rejected the discriminatory and unequal way in which some tried to evaluate the performance of countries in the context of the NPT. On the one hand, they were trying to condemn Iran a priori without the evidence required under the safeguards regime and the legal provisions governing it. On the other, they endorsed the serious threat to humanity posed by the large and deadly arsenals of nuclear weapons possessed by the nuclear powers, some of which had moved very little in the direction of total disarmament — the great aspiration of all.

123. His delegation expressed its total disagreement with the proposal to take consideration of Iran's nuclear programme outside the Agency and refer it to the Security Council. Instead of helping to find a negotiated solution, that could lead to confrontation with unpredictable results. That was what had happened with respect to Iraq when the Agency's voice had been disregarded. Moreover, the proposal contravened the principles of legality and objectivity that should characterize the Agency's performance in fulfilling its mission.

124. Article XII.C of the Statute stated that the inspectors should report any non-compliance to the Director General who should transmit the report to the Board of Governors. The Board should report the non-compliance to all members and to the Security Council and General Assembly of the United Nations. Since the inspectors had not declared Iran's non-compliance, there was no legal basis upon which to apply that statutory provision.

125. Non-compliance with the safeguards agreement required proof that nuclear material was being diverted to non-peaceful purposes. The Agency had concluded that no diversion had taken place and had said that all nuclear material had been declared. It had also said that it was still not in a position to

determine the presence or absence of other undeclared nuclear material or activities. The resumption of research activities had taken place in the presence and under the control of Agency inspectors, as the Deputy Director General for Safeguards had indicated in his update. Therefore, there was no objective justification for condemning Iran a priori and referring the matter to the Security Council.

126. Venezuela supported constructive diplomatic initiatives aimed at ensuring the international community's security by preventing any attempt to develop nuclear weapons and promoting total disarmament. Venezuela urged the nuclear powers to destroy their arsenals of weapons of mass destruction because that was the only way of ensuring the survival of mankind.

127. In conclusion, his delegation expressed the hope that France, Germany and the United Kingdom could resume their negotiations with Iran with a view to seeking a satisfactory solution within the Agency.

128. Mr. OTHMAN (Syrian Arab Republic) welcomed the information contained in the update brief delivered by the Deputy Director General for Safeguards that Iran was continuing to facilitate the application of safeguards as requested by the Agency and that it was implementing the additional protocol, including providing access to installations and any information required. Although the title of the only agenda item of the extraordinary Board meeting gave the impression that Iran had violated the Statute and the NPT, it was a fact that, according to the Agency's reports, Iran was cooperating with the Agency in providing information and access to facilities.

129. Syria was awaiting the regular Board meeting in March where the Director General would submit a report on the matter of Iran's nuclear programme, including any recommendations he deemed appropriate in the light of analysis of the situation and of the information provided to him by the Agency's inspectors.

130. Iran's recent activities had not gone beyond what was allowed under Agency monitoring. There was therefore no reason for haste in adopting a decision condemning Iran and referring it to the Security Council for contraventions that had not yet been conclusively established.

131. His delegation underlined the right of States Party to the NPT to undertake research and to make use of nuclear energy in peaceful applications, including the right use nuclear reactors to produce electricity and to ensure the operation of such reactors. That was what Iran had done in a transparent manner supplemented by voluntary inspections in accordance with the additional protocol. That notwithstanding, certain countries were trying to prevent one part of the Middle East region from obtaining knowledge of relevant nuclear technologies and were also penalizing Iran for activities that it denied it was undertaking. At the same time, one country in the region possessed nuclear weapons, reactors and the knowledge to produce more arms under the pretext of not being party to the NPT. Syria continued to call for the establishment of a nuclear-weapon-free zone in the Middle East, whereby all countries in the region would be dealt with on an equal basis. Unfortunately, Syria's proposal to the Security Council to that end had been rejected by the very countries that now sought to refer Iran to that body.

132. Recalling the resolution adopted by the Board on 29 November 2004, contained in document GOV/2004/90, which welcomed Iran's voluntary and non-legally binding decision to continue its suspension of enrichment-related activities, he said that had been a confidence-building measure by Iran to allow sufficient time to verify the peaceful nature of its nuclear programme. Furthermore, Syria believed that Iran had not violated its obligations in removing seals in the presence of Agency inspectors.

133. Diplomacy and peaceful dialogue were the way to find a permanent solution to the matter. All parties had to be patient and refrain from escalatory measures and the creation of a confrontational

atmosphere. The resumption of negotiations between Iran and France, Germany and the United Kingdom was the key to a solution, rather than referral the matter to the Security Council. Syria believed that there was still sufficient time before reporting the matter in any manner to the Security Council, especially since the Agency was continuing to work positively and with the voluntary acceptance of Iran.

134. No Agency report had mentioned that Iran had intentionally withheld or concealed information from the inspectors in application of the additional protocol, which Iran was implementing even though its parliament had yet to ratify it. In Syria's view, it was advisable to wait for the Director General's report to the March Board and see how talks developed between Iran and countries that cooperated with it with regard to resolving the matter of enrichment. Was the intention now to subject Iran to pressure, even though it had stressed that its programme was only for peaceful purposes? The Agency had staff in situ who were performing their work with professionalism and skill and the Director General's report would be a summary of their testimonies. His delegation urged the Board to wait until it had examined that report before adopting any decision.

135. The NPT and comprehensive safeguards agreements pursuant to that Treaty were not being applied in a balanced manner in the Middle East. Whilst numerous resolutions had been adopted by the Security Council, the General Assembly, and the General Conference concerning the establishment of a nuclear-weapon-free zone in the Middle East, none had been implemented. Why should more pressure be exerted on countries that were committed to treaties and agreements whilst Israel was disregarded? Israel was the cause of tension and the arms race in the Middle East and the sole country that produced nuclear weapons and rejected accession to any treaty or agreement concerning non-proliferation.

136. Finally, he expressed Syria's hope that the Board would arrive at a decision in an objective manner, taking into account all possible repercussions and the long-term impact on the region.

137. Mr. WIBOWO (Indonesia) said that his country had always firmly believed that in any dispute all the parties concerned should strive to reach a peaceful solution through dialogue and negotiation. Therefore Indonesia fully supported the initiative of France, Germany and the United Kingdom to engage Iran in negotiations towards a diplomatic solution to the issue of its nuclear programme. Indonesia was deeply concerned that the suspension of negotiations had led to a critical situation.

138. Indonesia supported any State Party to the NPT, including Iran, in exercising its inalienable right to the peaceful use of nuclear energy. However it would be among the first to strongly oppose any application of that right as a pretext for the pursuit of a nuclear programme for military purposes.

139. Indonesia regarded the NPT as the pre-eminent instrument for preventing nuclear proliferation, both horizontally and vertically, and for achieving nuclear disarmament. The full implementation of the NPT rested on the three pillars of non-proliferation, nuclear disarmament and the peaceful uses of nuclear energy. For those pillars to remain standing, the Treaty's provisions had to be adhered to by all States Party. Those three pillars were to be safeguarded by means of corresponding undertakings by not only non-nuclear-weapon but also nuclear-weapon States.

140. Indonesia remained confident that, given further effort, a diplomatic solution to the issue of Iran's nuclear programme was still feasible.

141. After thorough assessment of recent developments the Board should identify the steps needed to achieve a peaceful solution through confidence-building measures. It was imperative that cooperation continue between Iran and the Agency, that the negotiations between Iran and France, Germany and the United Kingdom resume, and that discussions of the Russian proposal continue. The Board needed to allow more time for those steps to be taken.

142. In Indonesia's view, there was no need to rush into reporting the issue to the Security Council before the March Board as that could jeopardize the efforts towards those confidence-building measures. It was convinced that the best possible outcome of the current Board meeting would be a consensus to defer a final decision until that meeting. In doing so, the Board would forestall any prejudgements on the Director General's report to the March Board.

143. Consideration should also be given to the fact that any hasty decision to report Iran to the Security Council could further raise tensions in the troubled areas of the Middle East and Central Asia. It was advisable to avoid any unintended political complications in the Middle East and among Muslim countries with regard to the issue of Iran's nuclear programme.

144. A further point to bear in mind was that taking a tougher stance on Iran by bringing its dossier to the Security Council would only give a strong signal that the international community was taking a very discriminatory approach toward it.

The meeting rose at 1.10 p.m.