

IAEA Board of Governors

Record of the 1157th Meeting
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Nuclear Verification

(b) Report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran

Board of Governors

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Record of the 1155th Meeting

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¹ GOV/2006/17.

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. CURIA		Argentina
Ms. STOKES		Australia
Mr. ZDOROV		Belarus
Mr. NIEUWENHUYS		Belgium
Mr. VIEIRA DE SOUZA		Brazil
Ms. GERVAIS-VIDRICAIRE		Canada
Mr. ZHANG Yan	}	China
Mr. YANG Dazhu		
Mr. ARÉVALO YÉPES		Colombia
Mr. CARRERA DORAL		Cuba
Mr. MOREJÓN-ALMEIDA		Ecuador
Mr. RAMZY		Egypt
Mr. CARON		France
Mr. HONSOWITZ		Germany
Mr. BEKOE		Ghana
Ms. BALANOU		Greece
Mr. SHARMA		India
Mr. WIBOWO		Indonesia
Mr. SUMI		Japan
Mr. CHO Chang-Beom		Korea, Republic of
Mr. GASHUT		Libyan Arab Jamahiriya
Mr. AAS		Norway
Mr. BRAMÃO RAMOS		Portugal
Mr. BERDENNIKOV		Russian Federation
Ms. YEW		Singapore
Ms. ŠIMKOVÁ		Slovakia
Mr. STRITAR		Slovenia
Mr. MINTY		South Africa
Ms. WIJEWARDANE		Sri Lanka
Ms. MELIN		Sweden
Mr. OTHMAN		Syrian Arab Republic
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. ANING		Secretary of the Board

Representatives of the following Member States also attended the meeting:

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

Abbreviations used in this record:

CTBT	Comprehensive Nuclear-Test-Ban Treaty
EFTA	European Free Trade Association
EU3	France, Germany and the United Kingdom
HEU	high-enriched uranium
NAM	Non-Aligned Movement
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. Follow-up to decisions on personnel matters taken by the UN General Assembly (continued) (GOV/2006/10)

1. Mr. BAZOBERRY (Bolivia)*, speaking on behalf of the Group of 77 and China, noted that the changes proposed in document GOV/2006/10 to the gross base salary scale for staff members in the Professional and higher categories, and the consequential change to the annual gross base salary of the Director General, would have no effect on net salaries. Likewise, the revised staff assessment rates would have no effect on the assessed contributions of Member States to the Regular Budget. The Group of 77 and China therefore endorsed the action taken at the previous meeting in accordance with the recommendation in document GOV/2006/10.

5. Nuclear verification

(b) Report by the Director General on the implementation of the NPT safeguards agreement in the Islamic Republic of Iran (GOV/2006/15)

2. The CHAIRMAN said that the report by the Director General contained in document GOV/2006/15 had been prepared pursuant to the Board resolution adopted on 4 February 2006 (GOV/2006/14). Many Member State representatives had attended a technical briefing on the report on 3 March and the Director General had informed the Board of the latest developments in his introductory statement at the meeting on 6 March.²

3. Ms. HUSSAIN (Malaysia)* congratulated the women present on the occasion of International Women's Day.

4. Speaking on behalf of NAM, she expressed appreciation for the Director General's report, and called upon Member States to respect the confidentiality of the documents distributed to them in order to protect the integrity of the Board and the Agency.

5. NAM encouraged the Director General and the Agency to continue their work to resolve all the issues pertaining to Iran's nuclear programme.

6. NAM strongly reiterated the inalienable right of all Member States to research, produce and use nuclear energy for peaceful purposes, without discrimination and in conformity with their respective legal obligations. Nothing should restrict that right, and Member States' choices relating to peaceful uses of nuclear technology and fuel cycle policies should be respected.

7. Non-proliferation and the peaceful uses of nuclear technology must be addressed in a balanced and non-discriminatory manner. The total elimination of nuclear weapons was the only way of guaranteeing that they would not be used. The international community should therefore devote as much attention to nuclear disarmament as it did to non-proliferation. Moreover, a clear distinction should be made between the legal obligations of Member States under their safeguards agreements and their voluntary commitments; Member States should not be penalized if they failed to adhere to the latter.

² See GOV/OR.1051, paras 29–31.

8. NAM was pleased to note that all declared nuclear material in Iran had been accounted for and that the Agency was not aware of any diversion of nuclear material to prohibited activities. Corrective action had been taken by Iran, and no new failures had been identified. Verification of the correctness and completeness of Iran's declarations was ongoing. Substantial progress had been made in the implementation of Iran's safeguards agreement. Iran had allowed the Agency to visit defence and other nuclear-related sites and to interview certain individuals, and had provided documents and information on the nuclear issue. NAM appreciated Iran's continuing cooperation, which went beyond its legal obligations, and encouraged it to help resolve the remaining issues, especially those relating to the full scope and nature of its nuclear programme.

9. The Director General stated in his report that drawing a conclusion regarding the absence of undeclared nuclear materials or activities was a time-consuming process, even with an additional protocol in force. NAM expected that through continued cooperation, the Agency would be able, without undue pressure, to conclude its verification work in Iran.

10. NAM recognized the Agency as the only competent nuclear verification authority and had complete confidence in its professionalism and impartiality. All issues of safeguards and verification, including those in Iran, should be resolved by the Agency alone, acting within its mandate under the Statute and on the basis of technical and legal considerations. Other United Nations bodies should not be involved at present. All parties must exercise patience and restraint and should not take any action which might escalate the situation and create unnecessary confrontation. In that connection, NAM welcomed the continued discussion between the Russian Federation and Iran concerning uranium enrichment and all other initiatives aimed at the speedy conclusion of the Iranian nuclear issue.

11. Mr. STELZER (Austria)* said that he was speaking on behalf of the European Union. The acceding countries Bulgaria and Romania, the candidate countries Turkey, Croatia and the Former Yugoslav Republic of Macedonia, the countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, and Serbia and Montenegro, the EFTA countries Iceland and Liechtenstein, members of the European Economic Area, as well as Ukraine and Moldova, associated themselves with his statement.

12. On 27 February 2006, the foreign ministers of the European Union had adopted a number of conclusions on the situation in Iran. They had welcomed the Board's resolution of 4 February and supported its decision to involve the United Nations Security Council. They had expressed their regret at Iran's decision to withhold voluntary cooperation from the Agency, and had deplored Iran's resumption of enrichment-related activities such as the introduction of nuclear material into centrifuges at Natanz on 13 February. They had reaffirmed the European Union's continued support for a diplomatic solution, and had welcomed the efforts of the Russian Federation to resolve the issue of enrichment facilities.

13. The European Union did not question Iran's right to use nuclear energy for peaceful purposes. Provided international concerns about Iran's programme were addressed, the European Union supported the development of a safe, sustainable and proliferation-proof civilian nuclear programme there. However, Iran's resumption of enrichment activities was a negative development. The European Union reiterated its call for Iran to return to full suspension of all enrichment and enrichment-related activities, including research and development.

14. He thanked the Director General for his report in document GOV/2006/15 and commended the Agency for its diligent and professional work. Unfortunately, however, the report showed that Iran had still not complied with the Board's repeated calls for full cooperation and transparency. Key questions remained unanswered, including the history and extent of Iran's centrifuge programmes and Iran's possession of a document relating to the fabrication of nuclear weapon components.

15. After three years of intensive verification activities, the Agency was still not in a position to conclude that there were no undeclared nuclear materials or activities in Iran. Moreover, the report concluded that full transparency in Iran's activities, extending beyond the legal requirements of its safeguards agreement and additional protocol, would be required to resolve the outstanding issues. The European Union again called upon Iran to return to full suspension of enrichment-related activities, implement the additional protocol and cooperate fully with the Agency.

16. Ms. STOKES (Australia) said she regretted that Iran had failed to abide by the Board's resolution of 4 February and called upon Iran to do so at the earliest opportunity. The Director General's report showed that Iran's cooperation with the Agency, including responses to the Agency's questions, was still inadequate. The main outstanding questions were the extent of the centrifuge programme, inconsistencies in the explanations provided about plutonium experiments and dealings with clandestine procurement networks, unanswered questions about the Physics Research Centre and, more recently, a number of apparently connected activities that could have a military nuclear dimension, including high-explosives testing and design of a missile re-entry vehicle. Moreover, Iran retained possession of a 15-page document related to the fabrication of nuclear weapon components, which described procedures for the reduction of UF₆ to uranium metal and for the casting of enriched and depleted uranium metal into hemispheres.

17. Australia hoped that Iran would once again begin to implement its additional protocol. Until then, the Director General should make full use of the provisions of Iran's comprehensive safeguards agreement, which required both Iran and the Agency to ensure that safeguards were applied to all nuclear material in Iran in order to verify that no such material was diverted to making nuclear weapons or other nuclear explosive devices, or to purposes unknown. Australia expected Iran to cooperate fully with any action which the Agency deemed necessary to discharge that responsibility.

18. Pursuant to the Board's February resolution, the Director General would convey his report to the Security Council as soon as the Board had completed its discussion of it. That step did not mean the end of diplomatic activity: it was merely a new phase, in which she expected the Agency to continue to play a central role.

19. Australia did not oppose the peaceful use of nuclear energy by Iran and wished to further its relations with that country. The efforts undertaken by France, Germany, the United Kingdom and the European Union, and by the Russian Federation, had given Iran the opportunity to develop its civil nuclear power programme while regaining the confidence and trust of the international community. The onus was on Iran to comply with the Board's resolutions, cooperate fully and immediately with the Agency, accept the generous offers of support for an exclusively peaceful Iranian nuclear industry, and restore international confidence by setting aside its ambitions to establish a nuclear fuel cycle.

20. In conclusion, she called for the Director General's report to be made public.

21. Mr. SCHULTE (United States of America) recalled that the Board in February had decided to report to the Security Council its findings that Iran had violated its international commitments and lost the trust of the international community. The Security Council was now awaiting the Director General's report before formally taking action.

22. That report clearly demonstrated that Iran had failed on every count to meet the requests made in the Board's February resolution, as well as in many earlier resolutions. Iran had ended its voluntary cooperation with the Agency, stopped implementing the additional protocol and resumed uranium enrichment at the Natanz plant. None of the outstanding issues related to Iran's nuclear programme had been resolved, because Iran continued to withhold information and access. The Agency remained unable to offer assurances that there were no undeclared nuclear materials or activities in Iran, or to clarify serious uncertainties about the scope and nature of Iran's nuclear programme. It could not

corroborate Iran's belated and forced explanations, many of which the Agency found unsatisfactory or implausible, and the number of discrepancies and inconsistencies in Iran's declarations continued to grow. Meanwhile, Iran was moving forward aggressively with its enrichment programme. It had informed the Agency that it intended to install the first 3000 P-1 centrifuges at Natanz by the autumn of 2006. It already had an 85-tonne stockpile of UF₆ which, if enriched, would be sufficient for 10 nuclear weapons. Clearly, Iran was determined to achieve a large-scale enrichment capability as soon as possible, despite international calls for it to suspend all enrichment-related activities, including research and development.

23. His country was disturbed by indications that Iran's goal was not limited to mastering all aspects of the nuclear fuel cycle, but that it intended to use the products of its fuel cycle to make weapons. The Agency had reported that Iran possessed a 15-page document on the casting of enriched and depleted uranium metal into hemispheres. At the briefing on 3 March, the Deputy Director General for Safeguards had stated that the document contained instructions which were clearly intended for HEU and which referred to hemishells, evidently for the fabrication of nuclear weapon components. Iran had refused to hand the document over to the Agency, or to say when it had obtained it. The Agency was investigating linkages between the Green Salt Project, high-explosive tests and the design of a missile re-entry vehicle, focusing on a specific company which appeared to be associated with that project and which Iran admitted was connected with the Esfahan facility and the Gchine uranium mine.

24. The Agency had stressed that it required full transparency and active cooperation which went beyond the routine requirements of Iran's safeguards agreement and additional protocol. In view of Iran's continued refusal to provide such transparency and cooperation, the United States encouraged the Agency to consider making use of the full legal authority provided for under Iran's safeguards agreement, for instance by invoking the special inspection procedure.

25. The international community had given Iran several opportunities to turn away from the path which led to nuclear weapons. The Russian Federation had proposed a joint venture for uranium enrichment in Russia. The foreign ministers of France, Germany and the United Kingdom had held a ministerial meeting with Iran. The United States Secretary of State, Ms. Condoleezza Rice, and the Russian Minister of Foreign Affairs, Mr. Sergei Lavrov, had expressed unity in seeking a diplomatic settlement of the issue and in supporting the Board's February resolution. The United States was disappointed that Iran was not prepared to meet international concerns, in particular the repeated calls for full suspension of all enrichment-related activities including research and development.

26. Iran's former nuclear negotiator, Mr. Hassan Ruhani, had been quoted in the press as bragging that Iran had manipulated the negotiation process with the EU3 in order to buy time to complete the Esfahan facility. It seemed to be doing the same again with the Natanz facility. Iran's aim was clearly not just research and development for a restrained enrichment programme; it was to perfect test centrifuge cascades that would give it the technology, materials and expertise it needed to produce HEU for nuclear weapons.

27. The Board in February had agreed that the Director General's report should be transmitted to the Security Council immediately after the present discussion. The time had come for the Security Council to act. The Security Council's involvement should reinforce the Agency's role and investigations. As a first step, it should call on Iran to cooperate with the Agency and to take the measures identified by the Board in order to restore confidence. It could also provide the broader authority which the Agency needed in order to investigate Iran's nuclear activities. The Security Council's approach should be well-considered and incremental, proceeding in full consultation with all Council members. It should emphasize that Iran would face consequences if it did not meet its obligations.

28. Naturally, Iran's actions would influence how the issue would be addressed in the Security Council. It was not too late for Iran's leaders to act in the best interests of their people. The United States had not abandoned all hopes of a diplomatic solution. A new phase of diplomacy had begun, intended more forcefully to convince Iran that it should abandon its nuclear-weapons ambitions. Like other Board members, the United States urged Iran to cooperate with the Agency and address collective concerns through peaceful diplomacy rather than threats and confrontation.

29. Mr. AAS (Norway) said that his country had firmly supported the Board's February resolution, which had reflected deep concerns regarding Iran's nuclear activities that unfortunately still persisted. As Norway had conveyed to the Iranian authorities in Tehran two weeks earlier, it was essential for Iran to respond to the international demands in a positive and constructive manner. Norway for its part was ready to work towards a political solution on the basis of the Board's resolution, and it encouraged the Russian Federation and the EU3 to continue their valuable efforts in exploring avenues to achieve a diplomatic solution.

30. He welcomed the Director General's substantive and balanced report and noted that while Iran had been more forthcoming in providing information and access to sites and key persons, important uncertainties relating to the scope and nature of Iran's nuclear programme remained. It was imperative that the Agency be allowed to pursue its investigation of all outstanding issues in that regard.

31. Norway deplored Iran's recent resumption of uranium enrichment, which was contrary to the Board's February resolution and earlier resolutions. It also regretted Iran's stated intention to discontinue its voluntary cooperation with the Agency.

32. Norway noted with concern the overall assessment in the report that the Agency was still not in a position to conclude that there were no undeclared nuclear materials or activities in Iran, and would remain concerned as long as that was the case. The process of drawing such a conclusion was a time-consuming process, and the Agency should be allowed to complete that work. Norway therefore urged Iran to comply with the demands of the international community by showing more cooperation and transparency and resuming implementation of the voluntary confidence-building measures, such as suspension of all enrichment-related activities, including research and development, and provision of unhampered access to relevant sites, persons and documents.

33. All States party to the NPT, including Iran, had the right to use nuclear energy for peaceful purposes in accordance with Article IV of the NPT. Norway remained a strong advocate of that right, which should be applied without discrimination and in conformity with Articles I and II of the Treaty.

34. A long-lasting negotiated political solution within the framework of the Agency was needed, and the Board's resolution of 4 February was an important step to that end. The Security Council should reiterate the demands of the international community and give the Agency the political backing necessary for achieving such a solution. States should refrain from unilateral steps which might exacerbate the situation and undermine diplomatic efforts. A long-term solution was within reach and efforts to that end should be intensified.

35. Mr. MÁRQUEZ MARÍN (Bolivarian Republic of Venezuela) welcomed the Director General's report contained in document GOV/2006/15, which would constitute a useful point of reference for the Board's decisions since it provided new objective elements concerning the Agency's work to dispel any doubts regarding the peaceful nature of Iran's nuclear programme. Venezuela fully endorsed the statement made on behalf of NAM recognizing the right of all States to use and develop nuclear energy and technology for peaceful purposes without limitations other than those imposed by the NPT.

36. There were a number of positive findings in the Director General's report: firstly, the samples analysed by the Agency in December 2005 tended, on balance, to support Iran's statement about the

foreign origin of most of the HEU contamination; secondly, with regard to the acquisition of P-1 centrifuge technology, the documentation shown had tended to confirm Iran's statement concerning the acquisition of the relevant items; thirdly, in January 2006 the Agency had been permitted to examine once again and place under Agency seal a document describing the procedures for the reduction of UF₆ to uranium metal in small quantities; fourthly, Iran had provided some clarifications regarding plutonium experiments, which the Agency was now assessing; fifthly, the Agency had not observed any unusual activities in the buildings visited at Koleh Douz and Parchin, and the results of environmental sampling did not indicate the presence of nuclear material at those locations; and finally, the Agency had not seen any diversion of nuclear material to nuclear weapons or other nuclear explosive devices, though it was not at present in a position to conclude that there were no undeclared nuclear materials or activities in Iran.

37. The Agency had conducted three years of intensive verification activities in Iran, and had been shown extensive cooperation, for example Iran's voluntary implementation of its additional protocol, and it had not yet seen any diversion of nuclear material. Iran was continuing to cooperate on a voluntary basis with the Agency in its inspection work and had shown willingness to undertake transparency and confidence-building measures regarding the peaceful nature of its nuclear programme. Iran's constructive behaviour contrasted with that of other countries that refused to subject themselves to the rigours of the safeguards system because they had not abandoned their intention to produce weapons of mass destruction to add to their deadly arsenals.

38. Clearly, given the extensive knowledge it had accumulated, the Agency was the most appropriate forum within which the Iranian nuclear issue should be addressed. Negotiation, within the framework of the Agency, was the only path to be pursued, and Iran's nuclear programme should continue to be a matter for the Agency for as long as there was no definitive negative pronouncement by the Director General. The report now before the Board, although not conclusive, presented sufficient information to indicate that there was currently no evidence providing a basis for concluding that there had been any diversion of Iran's nuclear programme to non-peaceful purposes. Iran was ready to demonstrate continued transparency with regard to its nuclear programme, and to continue its cooperation with the Agency beyond that required in accordance with its legal obligations under the NPT.

39. Under that Treaty, any Member State could exercise its right to develop nuclear technology — including the production and reprocessing of nuclear fuel - for peaceful purposes under appropriate Agency safeguards. That inalienable right could not be violated on the pretext of political or other considerations.

40. Venezuela welcomed the negotiations between Iran and Russia aimed at developing a strategic alliance for uranium enrichment which would not imply renunciation by Iran of its future projects for the development of that technology in its own country.

41. Venezuela reiterated its commitment to peace, non-proliferation and global nuclear disarmament, and to the effective and non-discriminatory implementation of the NPT through the Agency's safeguards system. The early entry into force of the CTBT would provide an additional tool to promote non-proliferation and disarmament. His country was concerned at the attitude of some countries that had large arsenals of nuclear weapons and yet, inexplicably, had not ratified that instrument, thus preventing its implementation by the international verification system that had already been set up to operate from Vienna.

42. Recalling the references which the preamble to the Board's February resolution made to the objective of a Middle East free of weapons of mass destruction, he emphasized the need to promote

the establishment of a nuclear-weapon-free zone in the Middle East, a goal that would be achieved only with the application of the NPT and safeguards to all the countries in that region, including Israel.

43. Lastly, he said it was not only the right of one Member State to develop nuclear technology for peaceful purposes contributing to its sustainable development that was at stake, but the right of all countries to do likewise. At the same time, he called upon the nuclear-weapon States to comply with the NPT by putting in place a programme to destroy their weapons, for that was the only way to eliminate the threat of a nuclear holocaust and prevent the destruction of the planet.

44. Mr. SUMI (Japan) commended the Director General and his staff for their efforts and professionalism in trying to resolve the Iran issue. Japan attached great importance to the report contained in document GOV/2006/15, which referred to issues that could have a military nuclear dimension.

45. It was deeply regrettable that Iran had been continuing its uranium enrichment-related activities despite the fact that outstanding issues remained and international confidence had not been restored. It was also regrettable that Iran had ceased to apply the provisions of its additional protocol and had suspended other measures, and that its commitment to implementing safeguards measures would be based only on its NPT safeguards agreement. Such steps were contrary to the strong message from the international community set out in the Board's resolution adopted in February.

46. It was important for Iran to restore the confidence of the international community, which had been damaged by Iran's previous non-compliance with its safeguards agreement. To that end, Iran should comply fully with all the resolutions of the Board, including the most recent. It should, in particular, suspend immediately all uranium enrichment-related and reprocessing activities, including research and development activities, continue the provisional implementation of its additional protocol and ratify that instrument as a matter of urgency.

47. The issue should be resolved through diplomacy, and to that end it was essential for the international community to make concerted efforts. Japan accordingly continued to support the initiatives of the EU3 and appreciated the diplomatic steps being taken by Russia and other States. Japan for its part had also been making diplomatic efforts and had urged Iran to take positive steps on the issue during the Iranian foreign minister's recent visit to Tokyo. It was Japan's sincere hope that, with further efforts by Iran, an early resolution of the issue could be achieved.

48. Mr. ZHANG Yan (China), welcoming the comprehensive report in document GOV/2006/15, thanked the Director General and his staff for their impartial and professional work. Following more than three years of intensive verification activities, the Agency had not discovered any diversion of Iran's declared nuclear materials to nuclear weapons or other explosive devices. Iran's uranium conversion, laser enrichment and fuel production programmes had already been placed under routine safeguards monitoring, and Iran continued to cooperate with the Agency. The inspection activities were continuing and certain issues were pending. The Agency was not yet in a position to conclude that Iran did not have undeclared nuclear materials or activities.

49. The Agency's inspection activities appeared to be making progress, but it was clear that more time and further cooperation and transparency from Iran were required. The Agency should continue its work in an independent and impartial manner, and China hoped that Iran would cooperate more proactively with the Agency in order to resolve the outstanding issues as soon as possible.

50. The Iranian nuclear issue was at a highly critical juncture: both further deterioration and change for the better were possible. The key was whether all concerned would choose dialogue or confrontation. Diplomatic efforts were very active; Russia and Iran had conducted several rounds of negotiation, the EU3 had recently held ministerial talks with Iran, and certain NAM countries were

engaged in active mediation. China, for its part, had maintained contact with the various parties and was encouraging them to opt for reconciliation and negotiation, in line with its view that the issue should be resolved by diplomatic means for the sake of the non-proliferation regime and the Agency's authority and in the interests of regional and global peace, security and development. China called on the international community to exercise patience and restraint so as to give the diplomatic efforts more time to succeed, and to refrain from any steps that would exacerbate the situation.

51. China's policy on non-proliferation had always been consistent and clear: all signatory States of the NPT should fulfil their treaty obligations and be able to enjoy the right to the peaceful use of nuclear energy. Accordingly, Iran should follow closely the obligations under the NPT and the resolutions passed by the Board. It should cooperate fully with the Agency, increase transparency, clarify unresolved issues and adopt confidence-building measures, including on uranium enrichment-related activities, with a view to resolution of the issue within the framework of the Agency. At the same time, the parties concerned should broaden their thinking, demonstrate flexibility and seek a solution that upheld non-proliferation while ensuring that Iran enjoyed its right to use nuclear energy for peaceful purposes. The Russian proposal might be useful in that regard.

52. There was room for the issue to be resolved within the framework of the Agency, and diplomatic efforts to that end should continue. China would work with the parties concerned to move the Iranian issue towards a peaceful settlement in accordance with the aim of the NPT and the relevant Board resolutions.

53. Mr. CARRERA DORAL (Cuba) said that his delegation had voted against the resolution adopted by the Board on 4 February and had warned of the unpredictable consequences that its adoption could have for international peace and security. Cuba's position was based on the principles that, firstly, developing countries had a full and recognized right to produce nuclear energy for peaceful purposes under the appropriate safeguards and to carry out all nuclear fuel cycle activities; secondly, it was unacceptable that, through arbitrary interpretations of the text of the NPT not in keeping with its letter and spirit, new elements were being added that discriminated against countries; thirdly, the Agency was the only international body technically authorized and legally mandated to determine the nature of a country's nuclear programme; fourthly, there was no evidence or assertion in the various reports provided by the Secretariat that Iran's nuclear programme was of a non-peaceful nature; and finally, it was unacceptable to condemn and attempt to penalize a country for resuming activities it had voluntarily suspended on a temporary basis and was rightfully entitled to conduct.

54. Cuba had always been guided by the inescapable principles of justice and equality in international relations. It would not cease to denounce the double standards of those who aimed their aggressive purposes against Third-World countries, while openly favouring the existence of vast nuclear stockpiles in Israel, which they themselves had contributed to creating. It continued to advocate compliance with the commitment enshrined in the NPT to make concrete progress in nuclear disarmament and achieve global disarmament in order to live in a safer and more peaceful world.

55. Cuba would wholeheartedly defend the legitimate right of all States party to the NPT, without exception, to conduct research on and engage in the production and use of nuclear energy for peaceful purposes, and to receive, without any discrimination whatsoever, the transfer of materials, equipment and scientific and technological information in conformity with Article IV of the NPT.

56. The Agency must preserve its impartiality and take action without giving in to pressure from those that wanted it to function under the umbrella of the Security Council. Intrusive attitudes undermined the principles enshrined in international law and in the Charter of the United Nations. Quoting from paragraph 53 of the Director General's report, which stated that although the Agency had not seen any diversion of nuclear material, it was not yet in a position to conclude that there were

no undeclared nuclear materials or activities in Iran, and from paragraph 54 regarding the need to clarify uncertainties, he said that the biased and subjective character of such observations played into the hands of those trying to use the situation for their own political purposes. The Agency would lose credibility if its decisions were made on the basis of suspicion rather than realism and objectivity. In his delegation's view, the real and objective fact was that the Director General's report provided evidence of systematic progress in Iran's cooperation with the Agency despite the unbalanced and unfair resolutions adopted by the Board in September 2005 and February 2006. No evidence had been found to justify reporting the issue to the Security Council. There was still scope for maintaining the issue within the framework of the Agency — which should not give up on its commitment to solve that sensitive issue. There were numerous aspects on which the Agency required more time to reach definite conclusions. The Agency should therefore be allowed to do its work without external political pressure, which would only hinder, rather than help, the verification process.

57. Iran had taken steps which exceeded its legal obligations, such as the fact highlighted in the report that access had been provided to equipment from various sources classified as 'dual use', as well as to personnel involved in the purchase of such equipment.

58. Cuba welcomed the results of the negotiations between Iran and Russia. Furthermore, Iran's steps to resume the negotiations with the EU3 were positive. Dialogue and cooperation were the path to be followed. The use of force and blackmail against Iran would prevent a fair and definitive resolution of the issue, and the world should note with concern the recent statements from senior officials in the United States Administration that the military option against Iran had not been ruled out. How could the international community trust the same country that had invoked weapons of mass destruction as a pretext for invading Iraq and occupying that country without international consent? Countries should not side with a policy that would not benefit them but only drag them further into discredit.

59. For those reasons and in line with its principles, Cuba firmly rejected the Security Council's involvement in the Iranian nuclear issue; the matter must continue to be the Agency's exclusive concern.

60. Mr. RAMZY (Egypt) reaffirmed the importance of placing the verification of the peaceful nature of the Iranian nuclear programme in the context of establishing a nuclear-weapon-free zone in the Middle East; the same standards must be applied to all countries in the region, and they should all be called upon to accede to the NPT, comply with its requirements, refrain from acquiring or attempting to acquire nuclear weapons, and place all nuclear installations under Agency safeguards. They should also provide information to the Agency in a comprehensive and transparent manner, so that it could verify that no nuclear activities were being diverted for military purposes. Foremost among the countries in question was Israel, which had not yet acceded to the NPT and consistently refused to place its advanced nuclear programme under the comprehensive safeguards regime. Concentrating on those countries of the region which were party to the NPT and fulfilled their legal obligations and strove to cooperate with the Agency, while neglecting those which would not assume any obligations, would only undermine the very basis of the non-proliferation regime. However, the Agency must remain within its legal mandate, and should avoid interpreting voluntary measures undertaken by certain States in good faith as legal requirements.

61. The Director General's report systematically dealt with the various pending aspects of the Iranian issue. It was gratifying that the report concluded, in paragraph 53, that the Agency had accounted for all declared nuclear material in Iran and had not seen any diversion of nuclear material to military purposes. On the other hand, it was regrettable that the Agency was still unable to confirm the non-existence of undeclared material or activities, and he called on Iran to continue cooperating with the Agency and making available the required information so that the matter could be verified.

Although many pending questions remained, he noted that the Agency's inspection activities in Iran continued and that Iran was providing substantial information.

62. The report referred to a number of new issues which had begun to be examined since late 2005, such as the casting of uranium metal, the Green Salt Project and plutonium experiments. While expressing confidence in the effectiveness of the Agency and its inspectors, he nevertheless requested an evaluation of the potential danger of those issues, so that the Board would have a sound basis for forming an opinion. He recalled the Deputy Director General's statement, in his technical briefing, to the effect that there was no proof of Iran having used the document on casting, and that the quantities of plutonium involved were insignificant.

63. In the light of the many references in the Director General's reports to the fact that verification processes required much time, even under normal circumstances, and would probably take longer in the case of Iran, he asked what would be a reasonable time frame for the Agency to complete the verification of Iran's nuclear programme, which had been ongoing for three years already. He called on Iran to continue cooperating and to provide all possible information to the Agency in order to accelerate closure of the file, and to implement the Board's resolutions, both to enhance its own credibility by complying with its obligations and to uphold the effectiveness of the Board and the Agency.

64. The Board's February resolution was in keeping with the view of many delegations that reports should be sent to the Security Council for information only at the current stage. The Agency needed to remain seized of the issue of the Iranian nuclear programme, since all pending questions were of a technical nature and did not threaten international peace and security. He accordingly called on the Agency's Secretariat to continue its constructive efforts to clarify the remaining issues, in cooperation with Iran, and to report any developments to the Board.

65. He welcomed the talks between Iran and the EU3, and also the ongoing discussions between Iran and the Russian Federation, aimed at finding a solution acceptable to all parties which preserved the right of all countries, especially developing countries and including Iran, to undertake research activities and to acquire and use nuclear technology under Agency supervision without diversion to military applications. Such a solution would guarantee the right of the countries in the region and of the Agency and the international community to verify the peaceful nature of nuclear programmes.

66. Mr. MOREJÓN-ALMEIDA (Ecuador), expressing support for the Agency and recognition for the extensive verification work it had undertaken to clarify the extent and nature of the Iranian nuclear programme, noted the factual and objective nature of the Director General's report, which presented information in a clear and transparent manner. Unfortunately, it showed that three years of verification had been insufficient to verify the nature of Iran's programme, about which there were still unanswered questions. It was therefore necessary for Iran to restore all suspended confidence-building measures, in line with the Board's resolutions, in particular that of 4 February, which had called on Iran to take the measures necessary to resolve the situation. He urged Iran to comply with those resolutions, noting that they were not simply requests from a group of countries but reflected the profound concerns of the international community. Consequently, it fell to Iran to take the necessary confidence-building measures, including the cessation of all enrichment-related activities, in order to pave the way for dialogue and negotiations which would open the door to numerous opportunities for reaching an agreed solution that would allow Iran to pursue its legitimate aim of generating nuclear electricity for the welfare of its people.

67. It was of fundamental importance that the transparency measures requested by the Director General and the Board should go beyond the formal requirements of the safeguards agreement and additional protocol, otherwise unanswered questions about the past and present nature

of Iran's nuclear programme would remain. His delegation urged once again that the negotiation process begun as a result of the Paris Agreement in November 2004 continue between Iran and the EU3. It also welcomed the alternative diplomatic process going on between Iran and the Russian Federation to discuss an option which could serve both parties, as well as the international community.

68. A further possible alternative was to seek a solution through a comprehensive approach, based on dialogue in the fields of politics, economics, security and civilian nuclear energy. It was up to Iran to create a favourable atmosphere for continuing diplomatic efforts, in the interests of both Iran and the international community. The strengthening of the Agency's role in verification, which everyone supported, particularly in the present case, would depend on Iran's future actions to comply with the Board's resolutions.

69. Ms. FEROUKHI (Algeria), recalling that the Director General's report had been compiled in far from ideal circumstances, said that it highlighted the complexity of the Iranian case and the challenges in achieving a peaceful and lasting solution, at the heart of which lay the restoration of confidence. Having always favoured a negotiated solution based on a compromise acceptable to all, she commended all those who had worked for such a solution, in particular the EU3 and President Putin of the Russian Federation, and urged them to continue their efforts.

70. The progress described in the Director General's clear and factual report should not be underestimated. Iran had remained committed to the international instruments regulating nuclear activities, in particular the NPT and the comprehensive safeguards agreement; moreover, the Agency had been able to carry out inspections and gain access to further sites, including military ones, as part of the provisional application of the additional protocol. She urged Iran to maintain its commitments arising from the multilateral verification system.

71. She reaffirmed Algeria's commitment to the inalienable right of all States to use nuclear technology as a means of promoting social and economic development, adding that efforts towards non-proliferation should be accompanied by similarly committed moves towards nuclear disarmament in all regions of the world, especially the Middle East.

72. The Director General's report showed that cooperation between Iran and the Agency had continued, allowing verification of Iran's statements regarding certain important issues, such as conversion activities, laser enrichment, fuel manufacture, the heavy water moderated research reactor programme, the origin of HEU particles at some locations, and information and additional documentation on the P-1 centrifuge programme. All declared nuclear materials had been accounted for and had not been diverted to prohibited activities. The report also stated that no unusual activities had been observed at the three military sites visited, and that the results of environmental sampling did not indicate the presence of nuclear material at those locations.

73. The time factor was essential in re-establishing confidence and allowing the Agency to complete its work; the Agency had requested more time to continue its activities, and it was important that its request be granted. To do so was not to allow Iran to find ways of shirking its obligations; quite the reverse. Algeria urged Iran to make every effort to improve its cooperation with the Agency and work to restore confidence, as requested by the Board in its resolutions.

74. She reaffirmed her support for the Agency, in its double role of promoting atomic energy and ensuring its peaceful use, and her confidence in the Director General, whose moral authority was universally appreciated. The Agency provided the appropriate forum to find a lasting solution to the complex Iranian issue, based on mutual confidence and respect of the right of all States, without discrimination, to use nuclear technology for peaceful purposes. The Agency had a mandate for verification and the expertise necessary to fulfil that mandate, and she encouraged it to complete its mission in Iran, maintaining the qualities of transparency, objectivity, impartiality and professionalism

which had made it an irreplaceable and highly regarded body. Any measures that might be taken outside the authority of the Agency, in order to be credible, would need to be based on verifiable facts and supported by solid technical and legal arguments.

75. In conclusion, she said that a peaceful solution to the Iranian question would strengthen the multilateral safeguards system and signify a return to a balance between the Agency's three main activities, which was the wish of all Member States.

76. Mr. SHARMA (India) said the Director General's report was a comprehensive compilation of information about verification-related developments in Iran since November 2005. It was a critical input from the Agency to the much larger, intense, high-level diplomatic effort which had been under way since the Board's meeting in February, and it indicated that all declared nuclear material in Iran had been accounted for. With regard to undeclared material and activities, he understood that the verification process was time-consuming and welcomed the fact that Iran had extended cooperation to the Agency in facilitating transparency visits which went beyond its legal obligations. He underlined the importance of Iran's full and active cooperation, with which, he was confident, the Agency would succeed in obtaining the necessary answers. It remained his view that the matter was best handled within the purview of the Agency.

77. Iran had the legal right to develop peaceful uses of nuclear energy consistent with its international commitments and obligations; however, it was incumbent on Iran to exercise those rights in the context of developments since 2003, when the Agency had begun to seek answers to a number of questions arising from Iran's nuclear activities, some of which had not been declared to the Agency in previous years. Since 2003, Iran had been taking corrective measures and extending cooperation to the Agency in its investigations of some of those activities.

78. In November 2004, Iran had agreed with the EU3 that it would voluntarily suspend all enrichment and reprocessing activities until questions relating to its past nuclear activities had been clarified by the Agency. However, since August 2005, Iran had resumed uranium conversion activities and, thereafter, enrichment-related activities. India had been consistently in favour of promoting all efforts to find a solution, based on acceptable mutual compromises, which would address Iran's interests and the concerns of the international community. The resolutions adopted by the Board in September 2005 and February 2006 had underlined the need for diplomatic efforts to continue.

79. The issue was a sensitive one which could only be dealt with through calm, reasoned diplomacy and willingness on all sides to eschew confrontation and seek acceptable compromise solutions. India was not in favour of confrontation, rhetoric or coercive measures, as they would only exacerbate tensions; instead, it wished to emphasize the need to exercise restraint, demonstrate flexibility and continue dialogue and diplomatic efforts to reach an amicable solution.

80. Mr. CHO Chang-Beom (Republic of Korea), reiterating his strong support for the Director General and the Secretariat for their impartial and professional work in handling verification issues in Iran, noted with concern the overall assessment in the Director General's report that, after three years of intensive verification efforts, the Agency had not yet been able to clarify the uncertainties related to the scope and nature of the Iranian nuclear programme. Iran's full transparency was still essential, and he joined others in urging Iran to be more forthcoming in its cooperation with the Agency's verification work so that all remaining uncertainties could be clarified expeditiously.

81. He sincerely hoped that Iran would return to a state of full and sustained suspension of all enrichment-related activities until international confidence could be regained, and that all decisions of the Board, including that taken on 4 February, would be fully implemented without further delay.

82. The Republic of Korea had consistently supported a peaceful, diplomatic solution to the Iranian nuclear issue. In that regard, the Russian Federation's proposal to establish a joint venture for uranium enrichment within its territory offered a realistic answer to Iran's concern about the security of its nuclear fuel supply without impeding its peaceful use of nuclear energy. He hoped the parties would continue to make every effort to bring negotiations back on track.

83. Mr. ZDOROV (Belarus), associating himself with the statement made on behalf of NAM, recalled that in examining issues concerning Agency safeguards under the NPT, his country was guided by a number of clear and simple principles, namely: that under the NPT and the Statute every Member State, including the Islamic Republic of Iran, had the inalienable right to undertake peaceful nuclear activities; that using the mechanisms of the NPT as a pretext for obstructing peaceful nuclear activities was completely unacceptable, and could endanger the policy of non-proliferation itself; that any Member State operating a peaceful nuclear programme should act with maximum transparency, in accordance with the spirit and letter of its obligations under the NPT; and that, as required by the NPT, the international community's efforts towards non-proliferation should be accompanied by nuclear disarmament and measures to strengthen trust between nuclear and non-nuclear States.

84. The Director General's full and balanced report concluded that there was no proof of a military nuclear programme in Iran, but that scrupulous and competent Agency verification of Iran's nuclear programme should continue. The Iranian issue should be resolved within the framework of the Agency on the basis of international law, through diplomatic dialogue and not through threats or attempts to negotiate from a position of power. He welcomed the efforts of the Russian Federation to find acceptable solutions on the basis of negotiations with Iran, along with the similar efforts by the EU3. The report made clear that reaching definitive conclusions regarding the absence of undeclared nuclear material was a long process which required much time and effort from all parties, even in normal circumstances. Any hasty steps on the part of the Board of Governors or other bodies could have undesirable consequences and further complicate the already difficult task the Agency faced. He called on the Director General to continue efforts to resolve all questions relating to Iran's nuclear activities and to report to the Board as necessary.

85. Ms. GERVAIS-VIDRICAIRE (Canada) congratulated the Agency, in connection with International Women's Day, for all the work it had done to improve the situation of women throughout the world, and encouraged it to continue and intensify its efforts in health, agriculture and other areas where they could have a positive impact on the living conditions of women, especially in developing countries.

86. In February, the Board had reported to the Security Council its findings regarding Iran's non-compliance with the NPT and the questions raised for international security by Iran's nuclear programme. The Board had also reported a number of steps it deemed necessary for Iran to take in order to resolve outstanding questions and rebuild confidence in its nuclear programme. Over the past month, Iran had not only failed to take those steps but had moved in the opposite direction. Rather than re-establishing a full suspension of enrichment-related and reprocessing activities, it had started to feed UF₆ into centrifuges and had stated its intention to expand the centrifuge enrichment programme. Rather than reconsidering the construction of a heavy water moderated research reactor, Iran had continued with civil engineering work at Arak. Rather than ratifying its additional protocol and continuing to act in accordance with its provisions pending ratification, Iran had informed the Agency that all such voluntary measures would be suspended.

87. The Board had also reported to the Security Council on the need for Iran to implement additional transparency measures, without which the Agency would not be able to verify the correctness and completeness of Iran's statements.

88. Canada had continuously urged Iran to heed the calls of the international community to resume the suspension of all its uranium enrichment-related activities and to address promptly the lack of confidence resulting from its non-compliance with its obligations under the NPT. Canada respected Iran's right to the peaceful use of nuclear energy but noted that that right must be seen in the context of the obligation to maintain confidence in the peaceful nature of nuclear programmes. The steps Iran had taken since February 2006 demonstrated little respect for the Agency's mandate in that regard. It was now appropriate for the Security Council to become involved in order to support the efforts of the Agency and Member States to find a peaceful, long-term solution and to reinforce the authority of the Agency and the nuclear non-proliferation and disarmament regime.

89. Mr. GASHUT (Libyan Arab Jamahiriya) said that Member States were instrumental in helping the Agency carry out its statutory function to promote the peaceful uses of atomic energy for the well-being of humankind. All States without exception had a right to use the atom for peaceful purposes and for sustainable development. Advanced countries should provide all necessary assistance to developing countries to enable them to achieve progress and prosperity and solve problems in such areas as water supply, the environment and health.

90. He was gratified to see from the Director General's latest report that Iran had cooperated with the Agency in clearing up certain issues. He encouraged Iran to continue that cooperation in a transparent manner to enable the Agency to elucidate outstanding questions. Dialogue, not confrontation, was the best road to solving conflicts.

91. His delegation invited Member States to adopt an international strategy for rewarding all States that voluntarily renounced nuclear programmes which could be used for the production of internationally proscribed weapons, and first and foremost his own country. Other countries should be encouraged to follow its example, thereby contributing to non-proliferation and the elimination of weapons of mass destruction. The international community, especially the United States and the United Kingdom, seemed not to wish to give his country the necessary assistance and support to ensure that its example was followed. The Libyan Arab Jamahiriya was satisfied with its own initiative to renounce voluntarily the development of weapons of mass destruction, finding that its security situation had much improved as a result, and that it had thereby contributed to international efforts aimed at bringing the world more security and peace.

92. In conclusion, he affirmed the need to find an acceptable solution to the Iranian nuclear issue within the framework of the Agency.

93. Ms. YEW (Singapore) said the Director General's report showed the need for continuing to seek clarification of the uncertainties relating to the scope and nature of Iran's nuclear programme. Some progress had been made in clarifying outstanding issues, and Iran had continued to facilitate access under its safeguards agreement. Those were steps in the right direction. Nevertheless, questions and ambiguities remained, and Iran should provide full and transparent cooperation in order to clarify all the uncertainties.

94. The resolution on Iran adopted by the Board in February reflected the international community's continuing concern over the Iranian nuclear issue. The suspension of all enrichment-related and reprocessing activities and the implementation of the additional protocol were key factors in establishing international trust in the peaceful nature of Iran's nuclear programme. The decisions taken by Iran over the past few months had not been helpful. By responding to the requests made by the Board and the Agency, Iran would demonstrate its readiness to cooperate constructively with the international community.

95. Her country supported the efforts of the EU3, Iran and other directly involved parties to seek a negotiated and peaceful solution. The diplomatic efforts undertaken and the proposal made by Russia

offered a solution that accommodated the Board's requests to Iran. Dialogue and diplomacy remained the best way forward.

96. Mr. BERDENNIKOV (Russian Federation) noted that the report by the Director General referred to Iran's decision to suspend all voluntary, non-legally binding measures, including application of the additional protocol. It also indicated that Iran had started uranium enrichment tests at Natanz on 11 February. A positive response by Iran to the Board's calls, as set out in operative paragraph 1 of the February resolution, would have been the best way of clarifying the outstanding questions concerning Iran's nuclear programme and restoring confidence in its exclusively peaceful nature. Instead, the Director General was expressing regret and concern about uncertainties related to the scope and nature of Iran's nuclear programme which had not been clarified after three years of intensive Agency verification. In order to clarify those uncertainties, full transparency and active cooperation by Iran were necessary. It was essential to create a favourable atmosphere for further consideration, and ultimately resolution, of the Iranian issue within the framework of the Agency. However, in accordance with the February resolution on steps the Board considered it necessary for Iran to take, the Security Council had been informed of the situation. The Russian Federation deeply regretted the way that Iran had responded to the resolution.

97. Having consistently advocated a political, diplomatic approach, his country was making efforts to work out an agreed long-term solution. It remained prepared to set up a joint venture with Iran for uranium enrichment on Russian territory, which would be fully in conformity with the NPT provisions concerning the inalienable right of all the Parties to develop research, production and use of nuclear energy for peaceful purposes without discrimination, while at the same time ensuring non-diversion to military purposes in accordance with Articles I and II of the Treaty.

98. The Russian Federation called once again on Iran to cooperate fully with the Agency on the basis of the Board's resolutions and to do so without delay so that the issue could return to being a routine safeguards matter for the Agency.

99. Mr. JENKINS (United Kingdom), speaking on behalf of France and Germany as well as his own country, said that they associated themselves with the statement made by the Presidency of the European Union on behalf of 37 members of the Agency.

100. They commended the Director General and the Secretariat for the professionalism and impartiality with which they had continued their efforts to implement the safeguards agreement with Iran. From the Director General's report, it was clear that since November 2005, only modest progress had been made towards resolving the many serious questions to which Agency verification of Iranian declarations had given rise. Among the reasons for that lack of progress were continuing deficiencies in Iranian cooperation. As a result, important aspects of Iran's nuclear programme remained shrouded from view. The Board still could not judge whether what it knew about Iran's centrifuge enrichment programme represented the full picture or simply the tip of the iceberg — and it was the part of the iceberg below water, out of view, that had sunk the Titanic. Puzzling inconsistencies remained with regard to plutonium and polonium experiments and uranium mining. Most importantly, indications of a possible military dimension to Iran's nuclear programme continued to be a legitimate source of intense concern.

101. The EU3 were accordingly not surprised by the Director General's overall assessment. Although Iran had taken corrective actions with respect to its non-compliance with its safeguards agreement, the Agency could not confirm all aspects of Iran's declarations even after three years of verification activity. While all the declared nuclear material in Iran had been accounted for, the Agency was still not in a position to conclude that there were no undeclared nuclear materials or activities in Iran. Reaching such a conclusion would be likely to take longer than usual in view of the

undeclared nature of Iran's past nuclear programme, the inadequacy of information on Iran's centrifuge programme, the existence of a generic document related to the fabrication of nuclear weapon components, and the lack of clarification of the role of the military in Iran's nuclear programme, including recent information concerning alleged weapons studies that could involve nuclear material.

102. Because the Director General pointed so clearly in his report to grounds for continuing serious concern, the need for Iran to carry out confidence-building measures remained undiminished. Yet it had failed to implement the measures called for in the Board's February resolution. On the contrary, it had notified the Agency that it was ceasing to suspend its enrichment-related and reprocessing activities and had injected UF₆ into centrifuges at the Natanz Pilot Fuel Enrichment Plant. It had continued civil engineering work at the nuclear research reactor site near Arak. It had not ratified the additional protocol and had notified the Agency that it was ceasing to act in accordance with its provisions. It had declined to discuss further the Agency's request for additional clarifications regarding the procurement efforts of the Physics Research Centre and the latter's relationship with the technical university.

103. Such decisions and actions aggravated the lack of confidence in Iran's intentions. Confidence-building was at the heart of the matter. The issue was not, as often claimed, that of legal rights to use nuclear energy for peaceful purposes. The EU3 Governments had consistently recognized that inalienable right for Iran. However, the secret nature of the nuclear programme that had been pursued for more than 18 years, the fact that it related to the most sensitive parts of the nuclear fuel cycle, and the numerous breaches of Iran's obligation to comply with its safeguards agreement had prompted a crisis of confidence in Iran's intentions.

104. Confidence-building was a process: it could not happen overnight, it took time. In 2003, the EU3 Governments had launched a diplomatic initiative designed to allow Iran to establish confidence that its nuclear programme was exclusively peaceful in nature. They had welcomed the proposal by the Russian Federation for a joint enrichment venture on Russian territory. That would allow a confidence-building process to take place while expressly addressing Iran's interest in an assured supply of nuclear fuel. The EU3 again called on Iran to seize the opportunity provided by the Russian proposal.

105. Given that Iran was continuing to produce UF₆ and already had a significant stock of enrichment feed material for which no credible civil use currently existed, it appeared that a determined and organized endeavour was under way in Iran to acquire mastery of the enrichment cycle, despite the absence of any civil need for such technology and the efforts made to offer Iran access to international cooperation to meet the needs of its civil nuclear power programme.

106. The EU3 would like to see the Board reaffirm the need for Iran to implement in full the confidence-building measures that the Board had requested. However, since Iran had consistently disregarded the Board's requests, the time had come for the Security Council to reinforce the authority of the Agency and its resolutions by calling upon Iran to implement the confidence-building measures requested on 4 February. The EU3 expected that the Security Council would take up consideration of the reports and resolutions it had received from the Board and decide, on the basis of the Board's findings, on appropriate action to reinforce the authority of the Agency with a view to clarifying the nature of Iran's programme and convincing Iran of the need to implement the measures requested by the Board, including full transparency.

107. The EU3 had hoped that the intense concerns to which Iran's pursuit of a fissile material production capability had given rise could be resolved without recourse to the Security Council. But Iran's unwillingness to cooperate fully with the Agency, to do what was necessary to build confidence,

to honour its international commitments and to provide effective guarantees that its nuclear programme was exclusively for peaceful purposes had made Security Council action inevitable. It was not, however, the end of diplomacy, and the EU3 remained determined to work for a negotiated solution. In that new context, in expectation of determined support from the Security Council, the Board should keep the matter under review in order to be in a position to act according to how the situation evolved.

The meeting rose at 1 p.m.